

Senate Calendar

THURSDAY, MARCH 27, 2025

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ACTION CALENDAR

CONSIDERATION POSTPONED TO APRIL 1, 2025

Second Reading

Favorable with Recommendation of Amendment

S. 65.

An act relating to energy efficiency utility jurisdiction.

Reported favorably with recommendation of amendment by Senator Watson for the Committee on Natural Resources and Energy.

The Committee recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Efficiency Utilities * * *

Sec. 1. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(d) Energy efficiency and greenhouse gas emissions reduction.

(1) Programs and measures. The Department of Public Service, any entity appointed by the Commission under subdivision (2) of this subsection, all gas and electric utility companies, and the Commission upon its own motion are encouraged to propose, develop, solicit, and monitor energy efficiency and conservation programs and measures, including electrification and appropriate combined heat and power systems that result in the conservation and efficient use of energy and. Any programs and measures supporting efficient use of biological and fossil-based fuels shall meet the applicable air quality standards of the Agency of Natural Resources. Such programs and measures, and their implementation, may be approved by the Commission if it determines they will be beneficial to towards the reduction of greenhouse gas emissions and beneficial to consumers or the ratepayers of the companies after such notice and hearings as the Commission may require by order or by rule. The Department of Public Service shall investigate the feasibility of enhancing and expanding the efficiency programs of gas utilities and shall make any appropriate proposals to the Commission.

(2) Appointment of independent efficiency entities.

(A) Electricity and natural gas. In place of utility-specific programs developed pursuant to this section and section 218c of this title, the Commission shall, after notice and opportunity for hearing, provide for the development, implementation, and monitoring of gas and electric energy efficiency ~~and~~, conservation, and electrification programs and measures, including programs and measures delivered in multiple service territories, by one or more entities appointed by the Commission for these purposes. The Commission may include appropriate combined heat and power systems that result in the conservation and efficient use of energy and meet the applicable air quality standards of the Agency of Natural Resources. Except with regard to a transmission company, the Commission may specify that the appointment of an energy efficiency utility to deliver services within an electric utility's service territory satisfies that electric utility's corresponding obligations, in whole or in part, under section 218c of this title and under any prior orders of the Commission.

(B) Thermal energy and process-fuel customers. The Commission shall provide for the coordinated development, implementation, and monitoring of cost-effective efficiency and conservation programs to thermal energy and process-fuel customers ~~on a whole buildings basis~~ by one or more entities appointed by the Commission for this purpose.

(i) In this section, "thermal energy" means the use of fuels to control the temperature of space within buildings and to heat water. In this section, "process fuel" means fuel used in commercial and industrial production operations.

(ii) Periodically on a schedule directed by the Commission, the appointed entity or entities shall propose to the Commission a plan to implement this subdivision (d)(2)(B). The proposed plan shall comply with subsections (e)–(g) of this section and shall be subject to the Commission's approval. The Commission shall not conduct the review of the proposed plan as a contested case under 3 V.S.A. chapter 25 but shall provide notice and an opportunity for written and oral comments to the public and affected parties and State agencies.

(C) The appointed entity may be used to support the attainment of building energy codes established pursuant to sections 51 and 53 of this title. The Commission shall review and approve a methodology for the appointed entities to support the attainment of code in the next Demand Resources Plan Proceeding. The Commission is authorized to approve a methodology for the appointed entity and the State to quantify energy savings achieved through code attainment, which shall be counted toward the appointed entity's quantitative savings targets.

(D) The annual revenue required to be raised by the electric efficiency charge authorized under this subsection (d) shall be equivalent to the inflation-adjusted Commission-approved electric efficiency budget in 2026.

(3) Energy efficiency charge; regulated fuels. In addition to its existing authority, the Commission may establish by order or rule a volumetric charge to customers for the support of energy efficiency programs that meet the requirements of section 218c of this title, with priority consideration given to the greenhouse gas emissions reductions and due consideration to the State's energy policy under section 202a of this title and to its energy and economic policy interests under section 218e of this title to maintain and enhance the State's economic vitality. The charge shall be known as the energy efficiency charge, shall be shown separately on each customer's bill, and shall be paid to a fund administrator appointed by the Commission and deposited into the ~~Electric~~ Efficiency Fund. When such a charge is shown, notice as to how to obtain information about energy efficiency programs approved under this section shall be provided in a manner directed by the Commission. This notice shall include, at a minimum, a toll-free telephone number, and to the extent feasible shall be on the customer's bill and near the energy efficiency charge.

(4) Supplemental funding. Programs funded under this subsection shall also be funded without further appropriation or offsets by each of the following:

(A) Net revenues above costs associated with payments from the New England Independent System Operator (ISO-NE) for capacity savings resulting from the activities of the energy efficiency utility designated under subdivision (2)(A) of this subsection (d) that are not transferred to the State PACE Reserve Fund under 24 V.S.A. § 3270(c). These revenues shall be deposited into the Efficiency Fund established by this section. In delivering services with respect to heating systems using the revenues subject to this subdivision (A), the entity shall give priority to incentives for the installation of high efficiency biomass heating systems and shall have a goal of offering an incentive that is equal to 25 percent of the installed cost of the system. Provision of an incentive under this subdivision (A) for a biomass heating system shall not be contingent on the making of other energy efficiency improvements at the property on which the system will be installed.

(B) Net revenues above costs from the sale of carbon credits under the cap and trade program established under section 255 of this title, which shall be deposited into the Efficiency Fund established by this section.

(C) Any other monies that are appropriated to or deposited in the Efficiency Fund for the delivery of thermal energy and process fuel energy efficiency services.

(D) Notwithstanding subsection (e) of this section, a retail electricity provider that is also an entity appointed under subdivision (2)(A) of this subsection (d), may use monies subject to subsection (e) of this section and any of the Supplemental Funding outlined in this subdivision (4) to deliver thermal and transportation measures or programs that reduce fossil fuel use regardless of the preexisting fuel source of the customer with special emphasis on measures or programs that take a new or innovative approach to reducing fossil fuel use, including support for staffing necessary to implement innovative building sector policies and modifying or supplementing existing vehicle incentive programs and electric vehicle supply equipment grant programs to incentivize high-consumption fuel users, especially individuals using more than 1,000 gallons of gasoline or diesel annually and those with low and moderate income, to transition to the use of battery electric vehicles. The amounts available shall include amounts annually budgeted for thermal energy and process fuel funds or from Supplemental Funding, and any carry-forward thermal energy and process fuel funds or Supplemental Funding from prior periods, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sector.

(A)(5) Regulated use of the Efficiency Fund. Balances in the Electric Efficiency Fund shall be ratepayer funds, shall and be used to support the activities authorized in this subdivision, and for the reduction of total energy use across all fuel sources without a requirement for proportional allocation of costs or savings for specific fuel types. Balances in the Efficiency Fund shall be carried forward and remain in the Fund at the end of each fiscal year. These monies shall not be available to meet the general obligations of the State. Interest earned shall remain in the Fund. The Commission will annually provide the General Assembly with a report detailing the revenues collected and the expenditures made for energy efficiency programs under this section. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection (d).

(B)(A) The charge established by the Commission pursuant to this subdivision (3) shall be in an amount determined by the Commission by rule or order that is consistent with the principles of least-cost integrated planning as defined in section 218e of this title. The Commission shall establish an appropriate budget for the appointed entity using the Efficiency Fund. The Commission shall consider all revenue sources established under subsections

(d)(3) and (d)(4) of this section and limitations on electric revenues established under subsection (d)(2)(D) when establishing the budget. In reviewing the appointed entity's proposed plan pursuant to (d)(2)(B)(ii), the Commission shall review and approve a budget that is consistent with principles of least-cost integrated planning as defined in section 218c of this title and demonstrates cost-effectiveness using the Commission's approved societal cost-benefit test. As circumstances and programs evolve, the amount of the charge shall be reviewed Commission shall review the plan for unrealized energy efficiency potential and shall be adjusted authorize adjustments as necessary in order to realize all reasonably available, cost-effective energy efficiency savings. In setting the amount of the charge and its allocation authorizing a budget for an appointed entity using the Efficiency Fund, the Commission shall determine an appropriate balance among the following objectives; provided, however, that particular emphasis shall be accorded to the first four of these objectives: prioritize the reduction of greenhouse gases and seek to balance the other following objectives:

(i) reducing Vermont's total energy demand, consumption, and expenditures;

(ii) reducing the size of future power purchases; reducing the generation of greenhouse gases

(iii) equitable distribution of benefits using geographic and economic indicators;

(iv) limiting the need to upgrade the State's transmission and distribution infrastructure;

(v) minimizing the costs of electricity;

(vi) reducing Vermont's total energy demand, consumption, and expenditures;

(vii) providing efficiency and conservation as a part of a comprehensive resource supply strategy that includes implementation of electrification;

(viii) providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and

(ix) targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

~~(C)(B)~~ The Commission, by rule or order, shall establish a process by which a customer who pays an average annual energy efficiency charge under this subdivision ~~(3)(5)~~ of at least \$5,000.00 may apply to the Commission to

self-administer energy efficiency through an energy savings account or customer credit program that shall contain up to 75 percent and 90 percent, respectively of the customer's energy efficiency charge payments as determined by the Commission. The remaining portion of the charge shall be used for administrative, measurement, verification, and evaluation costs and for systemwide energy benefits. Customer energy efficiency funds may be approved for use by the Commission for one or more of the following: electric energy efficiency projects and ~~non-electric~~ nonelectric efficiency projects, which may include thermal and process fuel efficiency, flexible load management, combined heat and power systems, demand management, energy productivity, and energy storage. These funds shall not be used for the purchase or installation of new equipment capable of combusting fossil fuels. The Commission in its rules or order shall establish criteria for each program and approval of these applications, establish application and enrollment periods, establish participant requirements, and establish the methodology for evaluation, measurement, and verification for programs. The total amount of customer energy efficiency funds that can be placed into energy savings accounts or the customer credit program annually is \$2,000,000.00 and \$1,000,000.00 respectively.

~~(D) The Commission may authorize the use of funds raised through an energy efficiency charge on electric ratepayers to reduce the use of fossil fuels for space heating by supporting electric technologies that may increase electric consumption, such as air source or geothermal heat pumps if, after investigation, it finds that deployment of the technology:~~

~~(i) will be beneficial to electric ratepayers as a whole;~~

~~(ii) will result in cost-effective energy savings to the end-user and to the State as a whole;~~

~~(iii) will result in a net reduction in State energy consumption and greenhouse gas emissions on a life-cycle basis and will not have a detrimental impact on the environment through other means such as release of refrigerants or disposal. In making a finding under this subdivision, the Commission shall consider the use of the technology at all times of year and any likely new electricity demand created by such use;~~

~~(iv) will be part of a comprehensive energy efficiency and conservation program that meets the requirements of subsections (d)-(g) of this section and that makes support for the technology contingent on the energy performance of the building in which the technology is to be installed. The building's energy performance shall achieve or shall be improved to achieve an energy performance level that is approved by the Commission and that is~~

~~consistent with meeting or exceeding the goals of 10 V.S.A. § 581 (building efficiency);~~

~~(v) among the product models of the technology that are suitable for use in Vermont, will employ the product models that are the most efficient available;~~

~~(vi) will be promoted in conjunction with demand management strategies offered by the customer's distribution utility to address any increase in peak electric consumption that may be caused by the deployment;~~

~~(vii) will be coordinated between the energy efficiency and distribution utilities, consistent with subdivision (f)(5) of this section; and~~

~~(viii) will be supported by an appropriate allocation of funds among the funding sources described in this subsection (d) and subsection (e) of this section. In the case of measures used to increase the energy performance of a building in which the technology is to be installed, the Commission shall assume installation of the technology in the building and then determine the allocation according to the proportion of the benefits provided to the regulated fuel and unregulated fuel sectors. In this subdivision (viii), "regulated fuel" and "unregulated fuel" shall have the same meaning as under subsection (e) of this section.~~

~~(4)(6) Contract or order of appointment. Appointment of an entity under subdivision (2) of this subsection may be by contract or by an order of appointment. An appointment, whether by order of appointment or by contract, may only be issued after notice and opportunity for hearing. An order of appointment shall be for a limited duration not to exceed 12 years, although an entity may be reappointed by order or contract. An order of appointment may include any conditions and requirements that the Commission deems appropriate to promote the public good. For good cause, after notice and opportunity for hearing, the Commission may amend or revoke an order of appointment.~~

~~(5)(7) Appointed entity; supervision. Any entity appointed by order of appointment under subdivisions (2) and (4)(6) of this subsection that is not an electric or gas utility already regulated under this title shall not be considered to be a company as defined under section 201 of this title but shall be subject to the provisions of sections 18–21, 30–32, 205–208; subsection 209(a); sections 219, and 221; and subsection 231(b) of this title, to the same extent as a company as defined under section 201 of this title. The Commission and the Department of Public Service shall have jurisdiction under those sections over the entity, its directors, receivers, trustees, lessees, or other persons or companies owning or operating the entity and of all plants, equipment, and~~

property of that entity used in or about the business carried on by it in this State as covered and included in this section. This jurisdiction shall be exercised by the Commission and the Department so far as may be necessary to enable them to perform the duties and exercise the powers conferred upon them by law. The Commission and the Department each may, when they deem the public good requires, examine the plants, equipment, and property of any entity appointed by order of appointment under subdivisions (2) and (4)(6) of this subsection.

(8) Provision of equity and justice in services; requirements. Any appointed entity shall ensure an equitable and just provision of services.

(A) Not less than 25 percent of the annual budget shall be targeted for residential services for customers with low to moderate income. Services shall include the provision of weatherization services and other efficiency measures for the purpose of reducing a household's total energy costs and total energy burden.

(B) Not less than 12.5 percent of the annual budget shall be targeted for small businesses and not-for-profit organizations.

(C) The cost of providing services under this subdivision (8) shall be excluded from the calculation of cost-effectiveness for the appointed entity's portfolio of services.

(D) On or before September 1, 2026, the appointed entity shall propose and the Commission shall evaluate the appropriateness of a statewide low-income energy efficiency rate for regulated fuels. The Commission may consider the technical feasibility of implementation before approving such a rate. For a distribution utility that is also an appointed entity, and has a Commission-approved discounted low-income rate, that appointed entity may elect to apply its Commission-approved discounted low-income rate criteria to the energy efficiency charge in lieu of adopting a statewide low-income energy efficiency rate.

(e) Thermal energy and process fuel efficiency funding.

~~(1) Each of the following shall be used to deliver thermal energy and process fuel energy efficiency services in accordance with this section for unregulated fuels to Vermont consumers of such fuels. In addition, the~~ The Commission may authorize an entity appointed to deliver such services under subdivision (d)(2)(B) of this section to use monies subject to this subsection for the engineering, design, and construction of facilities for the conversion of thermal energy customers using fossil fuels to district heat if the majority of

the district's energy is from biomass sources, the district's distribution system is highly energy efficient, and such conversion is cost effective.

~~(A) Net revenues above costs associated with payments from the New England Independent System Operator (ISO-NE) for capacity savings resulting from the activities of the energy efficiency utility designated under subdivision (2)(A) of this subsection (e) that are not transferred to the State PACE Reserve Fund under 24 V.S.A. § 3270(c). These revenues shall be deposited into the Electric Efficiency Fund established by this section. In delivering services with respect to heating systems using the revenues subject to this subdivision (A), the entity shall give priority to incentives for the installation of high efficiency biomass heating systems and shall have a goal of offering an incentive that is equal to 25 percent of the installed cost of such a system. Provision of an incentive under this subdivision (A) for a biomass heating system shall not be contingent on the making of other energy efficiency improvements at the property on which the system will be installed.~~

~~(B) Net revenues above costs from the sale of carbon credits under the cap and trade program established under section 255 of this title, which shall be deposited into the Electric Efficiency Fund established by this section.~~

~~(C) Any other monies that are appropriated to or deposited in the Electric Efficiency Fund for the delivery of thermal energy and process fuel energy efficiency services.~~

~~(2) If a program combines regulated fuel efficiency services with unregulated fuel efficiency services supported by funds under this section, the Commission shall allocate the costs of the program among the funding sources for the regulated and unregulated fuel sectors in proportion to the benefits provided to each sector.~~

~~(3) In this subsection:~~

~~(A) "Biomass" means organic nonfossil material constituting a source of renewable energy within the meaning of section 8002 of this title.~~

~~(B) "District heat" means a system through which steam or hot water from a central plant is piped into buildings to be used as a source of thermal energy.~~

~~(C) "Efficiency services" includes the establishment of a statewide information clearinghouse under subsection (g) of this section.~~

~~(D) "Fossil fuel" means an energy source formed in the earth's crust from decayed organic material. The common fossil fuels are petroleum, coal, and natural gas. A fossil fuel may be a regulated or unregulated fuel.~~

(E) “Regulated fuels” means electricity and natural gas delivered by a regulated utility.

(F) “Unregulated fuels” means fuels used by thermal energy and process fuel customers other than electricity and natural gas delivered by a regulated utility.

(f) Goals and criteria; all energy efficiency programs. With respect to all energy efficiency programs approved under this section, the Commission shall:

(1) Ensure that all retail consumers, regardless of retail electricity, gas, or heating or process fuel provider, will have an opportunity to participate in and benefit from a comprehensive set of cost-effective energy efficiency and electrification programs and initiatives designed to overcome barriers to participation.

(2) Require that continued or improved efficiencies be made in the production, delivery, and use of energy efficiency services, including the use of compensation mechanisms for any energy efficiency entity appointed under subdivision (d)(2) of this section that are based upon verified greenhouse gas emission reductions, savings in energy usage and demand, and other performance targets specified by the Commission. The linkage between compensation and verified savings in energy usage and demand (and other performance targets) shall be reviewed and adjusted not less than triennially by the Commission.

* * *

(g) Thermal energy and process fuel efficiency programs; additional criteria. With respect to energy efficiency programs delivered under this section to thermal energy and process fuel customers, the Commission shall:

(1) Ensure that programs are delivered ~~on a whole-buildings basis~~ to help meet the State’s ~~building~~ efficiency goals established by 10 V.S.A. § 581 and to reduce greenhouse gas emissions ~~from thermal energy and process fuel use in Vermont~~.

(2) ~~Require the establishment of a statewide information clearinghouse to enable effective access for customers to and effective coordination across programs. The clearinghouse shall serve as a portal for customers to access thermal energy and process fuel efficiency services and for coordination among State, regional, and local entities involved in the planning or delivery of such services, making referrals as appropriate to service providers and to entities having information on associated environmental issues such as the presence of asbestos in existing insulation.~~

~~(3) In consultation with the Agency of Natural Resources, establish annual interim goals starting in 2014 to meet the 2017 and 2020 goals for improving the energy fitness of housing stock stated in 10 V.S.A. § 581(1).~~

(4) Ensure the monitoring of the State's progress in meeting the goals of 10 V.S.A. § 581(1). This monitoring shall be performed according to a standard methodology and on a periodic basis that is not less than annual.

* * *

* * * Clean Heat Standard * * *

Sec. 2. REPEAL

30 V.S.A. chapter 94 is repealed.

Sec. 3. 30 V.S.A. § 35 is added to read:

§ 35. HEATING FUEL SELLER REGISTRY

(a) Each entity that sells heating fuel for bulk delivery in Vermont shall register by June 30 of each year with the Department. As informed by the report required under Sec. 6 of this act, the Department shall maintain, and update annually, the list of registered entities on its website. The data collected in this registry may be used for multiple purposes including for calculations related to greenhouse gas emissions in the State; verification of fuel sales data collected by the Department of Taxes; regional and municipal energy planning; and professional development and notification purposes.

(b) The Department shall require registration information to include legal name; doing business as name, if applicable; municipality; state; types of heating fuel sold; and the monthly retail sale of gallons of heating oil, propane, kerosene, and other dyed diesel delivered in the State in the calendar year immediately preceding the calendar year in which the entity is registering with the Department, separated by type, that was purchased by the submitting entity and the name and location of the entity from which it was purchased.

(c) Each year, and not later than 30 days following the annual registration deadline, the Department shall share complete registration information of registered entities with the Agency of Natural Resources for purposes of updating the Vermont Greenhouse Gas Emissions Inventory and Forecast.

Sec. 4. 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:

* * *

(23) ~~To the Public Utility Commission and the~~ Department of Public Service, provided the disclosure relates to the fuel tax under 33 V.S.A. chapter 25 and is used for the purposes of auditing compliance with the ~~Clean Heat Standard under 30 V.S.A. chapter 94~~ heating fuel seller registry of 30 V.S.A. § 35. The Commissioner shall, at a minimum, provide the names of any new businesses selling heating fuel in any given year and the names of any businesses that are no longer selling heating fuel.

* * *

Sec. 5. 33 V.S.A. § 2504 is added to read:

§ 2504. FUEL TAX REPORT

On or before January 15 annually, the Commissioner of Taxes shall publish a report on the fuel tax collected pursuant to section 2503 of this chapter. The report shall include the aggregated data broken out by type of the volumes and types of heating fuel sold annually in Vermont, and the number of entities that paid. The provisions of 2 V.S.A. § 20(d) shall not apply to this report.

Sec. 6. REPORT; DELIVERY OF FOSSIL FUELS

On or before January 15, 2026, the Department of Public Service, after consultation with the Vermont Fuel Dealers Association, shall report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Digital Infrastructure recommendations on the best way to collect data on heating fuel sellers and heating fuel delivery on a town-by-town basis, including the volume and types of fossil heating fuel used. The collection of this data would be to support the enhance energy planning conducted by regional planning commissions and municipalities pursuant to 24 V.S.A. § 4352.

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2025, except for Secs. 3 (30 V.S.A. § 35) and 4 (32 V.S.A. § 3102) which shall take effect on January 1, 2027.

(Committee vote: 4-1-0)

Reported favorably with recommendation of amendment by Senator Hardy for the Committee on Finance.

The Committee recommends that the bill be amended as recommended by the Committee on Natural Resources and Energy, with the following amendment by striking out Sec. 1, 30 V.S.A. § 209, in its entirety and inserting in lieu thereof a new Sec. 1 and Sec. 1a and Sec. 1b to read as follows:

Sec. 1. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(d) Energy efficiency and greenhouse gas emissions reduction.

(1) Programs and measures. The Department of Public Service, any entity appointed by the Commission under subdivision (2) of this subsection, all gas and electric utility companies, and the Commission upon its own motion are encouraged to propose, develop, solicit, and monitor energy efficiency and conservation programs and measures, including electrification and appropriate combined heat and power systems that result in the conservation and efficient use of energy and. Any programs and measures supporting efficient use of biological and fossil-based fuels shall meet the applicable air quality standards of the Agency of Natural Resources. Such programs and measures, and their implementation, may be approved by the Commission if it determines they will be beneficial ~~to~~ towards the reduction of greenhouse gas emissions and beneficial to consumers or the ratepayers of the companies after ~~such~~ notice and hearings as the Commission may require by order or by rule. The Department of Public Service shall investigate the feasibility of enhancing and expanding the efficiency programs of gas utilities and shall make any appropriate proposals to the Commission.

(2) Appointment of independent efficiency entities.

(A) Electricity and natural gas. In place of utility-specific programs developed pursuant to this section and section 218c of this title, the Commission shall, after notice and opportunity for hearing, provide for the development, implementation, and monitoring of gas and electric energy

efficiency ~~and~~, conservation, and electrification programs and measures, including programs and measures delivered in multiple service territories, by one or more entities appointed by the Commission for these purposes. The Commission may include appropriate combined heat and power systems that result in the conservation and efficient use of energy and meet the applicable air quality standards of the Agency of Natural Resources. Except with regard to a transmission company, the Commission may specify that the appointment of an energy efficiency utility to deliver services within an electric utility's service territory satisfies that electric utility's corresponding obligations, in whole or in part, under section 218c of this title and under any prior orders of the Commission.

(B) Thermal energy and process-fuel customers. The Commission shall provide for the coordinated development, implementation, and monitoring of cost-effective efficiency and conservation programs to thermal energy and process-fuel customers ~~on a whole buildings basis~~ by one or more entities appointed by the Commission for this purpose.

(i) In this section, "thermal energy" means the use of fuels to control the temperature of space within buildings and to heat water. In this section, "process fuel" means fuel used in commercial and industrial production operations.

(ii) Periodically on a schedule directed by the Commission, the appointed entity or entities shall propose to the Commission a plan to implement this subdivision (d)(2)(B). The proposed plan shall comply with subsections (e)–(g) of this section and shall be subject to the Commission's approval. The Commission shall not conduct the review of the proposed plan as a contested case under 3 V.S.A. chapter 25 but shall provide notice and an opportunity for written and oral comments to the public and affected parties and State agencies.

(C) The appointed entity may be used to support the attainment of building energy codes established pursuant to sections 51 and 53 of this title. The Commission may approve a methodology for the appointed entity to quantify energy savings achieved through code attainment, which shall be counted toward the appointed entity's quantitative savings targets.

(D) The annual revenue required to be raised by the electric efficiency charge authorized under this subsection (d) shall be equivalent to the inflation-adjusted Commission-approved electric efficiency budget in 2026.

(3) Energy efficiency charge; regulated fuels. In addition to its existing authority, the Commission may establish by order or rule a volumetric charge to customers for the support of energy efficiency programs that meet the

requirements of section 218c of this title, with priority consideration given to the greenhouse gas emissions reductions and due consideration to the State's energy policy under section 202a of this title and to its energy and economic policy interests under section 218e of this title to maintain and enhance the State's economic vitality. The charge shall be known as the energy efficiency charge, shall be shown separately on each customer's bill, and shall be paid to a fund administrator appointed by the Commission and deposited into the Electric Efficiency Fund. When such a charge is shown, notice as to how to obtain information about energy efficiency programs approved under this section shall be provided in a manner directed by the Commission. This notice shall include, at a minimum, a toll-free telephone number, and to the extent feasible shall be on the customer's bill and near the energy efficiency charge.

(4) Supplemental funding. Programs funded under this subsection shall be solely funded by each of the following:

(A) Net revenues above costs associated with payments from the New England Independent System Operator (ISO-NE) for capacity savings resulting from the activities of the energy efficiency utility designated under subdivision (2)(A) of this subsection (d) that are not transferred to the State PACE Reserve Fund under 24 V.S.A. § 3270(c). These revenues shall be deposited into the Efficiency Fund established by this section. In delivering services with respect to heating systems using the revenues subject to this subdivision (A), the entity shall give priority to incentives for the installation of high efficiency biomass heating systems and shall have a goal of offering an incentive that is equal to 25 percent of the installed cost of the system. Provision of an incentive under this subdivision (A) for a biomass heating system shall not be contingent on the making of other energy efficiency improvements at the property on which the system will be installed.

(B) Net revenues above costs from the sale of carbon credits under the cap and trade program established under section 255 of this title, which shall be deposited into the Efficiency Fund established by this section.

(C) Any other monies that are appropriated to or deposited in the Efficiency Fund for the delivery of thermal energy and process fuel energy efficiency services.

(D) Notwithstanding subsection (e) of this section, a retail electricity provider that is also an entity appointed under subdivision (2)(A) of this subsection (d) may use monies subject to subsection (e) of this section and any of the Supplemental Funding outlined in this subdivision (4) to deliver thermal and transportation measures or programs that reduce fossil fuel use regardless of the preexisting fuel source of the customer with special emphasis on

measures or programs that take a new or innovative approach to reducing fossil fuel use, including support for staffing necessary to implement innovative building sector policies and modifying or supplementing existing vehicle incentive programs and electric vehicle supply equipment grant programs to incentivize high-consumption fuel users, especially individuals using more than 1,000 gallons of gasoline or diesel annually and those with low and moderate income, to transition to the use of battery electric vehicles. The amounts available shall include amounts annually budgeted for thermal energy and process fuel funds or from Supplemental Funding, and any carry-forward thermal energy and process fuel funds or Supplemental Funding from prior periods, on programs, measures, and services that reduce greenhouse gas emissions in the thermal energy or transportation sector.

~~(A)~~(5) Regulated use of the Efficiency Fund. Balances in the ~~Electric~~ Efficiency Fund shall be ratepayer funds, ~~shall and~~ be used to support the activities authorized in this subdivision, ~~and~~ for the reduction of total energy use across all fuel sources without a requirement for proportional allocation of costs or savings for specific fuel types. Balances in the Efficiency Fund shall be carried forward and remain in the Fund at the end of each fiscal year. These monies shall not be available to meet the general obligations of the State. Interest earned shall remain in the Fund. The Commission will annually provide the General Assembly with a report detailing the revenues collected and the expenditures made for energy efficiency programs under this section. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection ~~(d)~~.

~~(B)~~(A) ~~The charge established by the Commission pursuant to this subdivision (3) shall be in an amount determined by the Commission by rule or order that is consistent with the principles of least-cost integrated planning as defined in section 218c of this title~~ The Commission shall establish an appropriate budget for the appointed entity using the Efficiency Fund. The Commission shall consider all revenue sources established under subdivisions (3) and (4) of this subsection (d) when establishing the budget. In reviewing the appointed entity's proposed plan pursuant to subdivision (2)(B)(ii) of this subsection (d), the Commission shall review and approve a budget that is consistent with principles of least-cost integrated planning as defined in section 218c of this title and demonstrates cost-effectiveness using the Commission's approved societal cost-benefit test. As circumstances and programs evolve, the amount of the charge shall be reviewed Commission shall review the plan for unrealized energy efficiency potential and shall be adjusted authorize adjustments as necessary in order to realize all reasonably available, cost-effective energy efficiency savings. In setting the amount of the charge and its

~~allocation a budget for an appointed entity using the Efficiency Fund, the Commission shall determine an appropriate balance among the following objectives; provided, however, that particular emphasis shall be accorded to the first four of these objectives:~~ seek to balance the other following objectives:

(i) reducing Vermont's total energy demand, consumption, and expenditures;

(ii) reducing the size of future power purchases;

(iii) reducing the generation of greenhouse gases;

(iv) equitable distribution of benefits using geographic and economic indicators;

(v) limiting the need to upgrade the State's transmission and distribution infrastructure;

(vi) minimizing the costs of electricity;

(vii) reducing Vermont's total energy demand, consumption, and expenditures;

(viii) providing efficiency and conservation as a part of a comprehensive resource supply strategy that includes implementation of electrification, and supplying energy efficiency resources into the ISO-NE forward capacity market or any future energy markets where energy efficiency can support a reduction in cost for all ratepayers and generate revenues for Vermont ratepayers through participation;

(ix) providing the opportunity for all Vermonters to participate in efficiency and conservation programs; and

(x) targeting efficiency and conservation efforts to locations, markets, or customers where they may provide the greatest value.

~~(C)~~(B) The Commission, by rule or order, shall establish a process by which a customer who pays an average annual energy efficiency charge under this subdivision ~~(3)~~(5) of at least \$5,000.00 may apply to the Commission to self-administer energy efficiency through an energy savings account or customer credit program that shall contain up to 75 percent and 90 percent, respectively of the customer's energy efficiency charge payments as determined by the Commission. The remaining portion of the charge shall be used for administrative, measurement, verification, and evaluation costs and for systemwide energy benefits. Customer energy efficiency funds may be approved for use by the Commission for one or more of the following: electric energy efficiency projects and ~~non-electric~~ nonelectric efficiency

projects, which may include thermal and process fuel efficiency, flexible load management, combined heat and power systems, demand management, energy productivity, and energy storage. These funds shall not be used for the purchase or installation of new equipment capable of combusting fossil fuels. The Commission in its rules or order shall establish criteria for each program and approval of these applications, establish application and enrollment periods, establish participant requirements, and establish the methodology for evaluation, measurement, and verification for programs. The total amount of customer energy efficiency funds that can be placed into energy savings accounts or the customer credit program annually is \$2,000,000.00 and \$1,000,000.00 respectively.

~~(D) The Commission may authorize the use of funds raised through an energy efficiency charge on electric ratepayers to reduce the use of fossil fuels for space heating by supporting electric technologies that may increase electric consumption, such as air source or geothermal heat pumps if, after investigation, it finds that deployment of the technology:~~

~~(i) will be beneficial to electric ratepayers as a whole;~~

~~(ii) will result in cost-effective energy savings to the end-user and to the State as a whole;~~

~~(iii) will result in a net reduction in State energy consumption and greenhouse gas emissions on a life-cycle basis and will not have a detrimental impact on the environment through other means such as release of refrigerants or disposal. In making a finding under this subdivision, the Commission shall consider the use of the technology at all times of year and any likely new electricity demand created by such use;~~

~~(iv) will be part of a comprehensive energy efficiency and conservation program that meets the requirements of subsections (d)-(g) of this section and that makes support for the technology contingent on the energy performance of the building in which the technology is to be installed. The building's energy performance shall achieve or shall be improved to achieve an energy performance level that is approved by the Commission and that is consistent with meeting or exceeding the goals of 10 V.S.A. § 581 (building efficiency);~~

~~(v) among the product models of the technology that are suitable for use in Vermont, will employ the product models that are the most efficient available;~~

~~(vi) will be promoted in conjunction with demand management strategies offered by the customer's distribution utility to address any increase in peak electric consumption that may be caused by the deployment;~~

~~(vii) will be coordinated between the energy efficiency and distribution utilities, consistent with subdivision (f)(5) of this section; and~~

~~(viii) will be supported by an appropriate allocation of funds among the funding sources described in this subsection (d) and subsection (e) of this section. In the case of measures used to increase the energy performance of a building in which the technology is to be installed, the Commission shall assume installation of the technology in the building and then determine the allocation according to the proportion of the benefits provided to the regulated fuel and unregulated fuel sectors. In this subdivision (viii), "regulated fuel" and "unregulated fuel" shall have the same meaning as under subsection (e) of this section.~~

~~(4)(6) Contract or order of appointment. Appointment of an entity under subdivision (2) of this subsection may be by contract or by an order of appointment. An appointment, whether by order of appointment or by contract, may only be issued after notice and opportunity for hearing. An order of appointment shall be for a limited duration not to exceed 12 years, although an entity may be reappointed by order or contract. An order of appointment may include any conditions and requirements that the Commission deems appropriate to promote the public good. For good cause, after notice and opportunity for hearing, the Commission may amend or revoke an order of appointment.~~

~~(5)(7) Appointed entity; supervision. Any entity appointed by order of appointment under subdivisions (2) and (4)(6) of this subsection that is not an electric or gas utility already regulated under this title shall not be considered to be a company as defined under section 201 of this title but shall be subject to the provisions of sections 18–21, 30–32, 205–208; subsection 209(a); sections 219, and 221; and subsection 231(b) of this title, to the same extent as a company as defined under section 201 of this title. The Commission and the Department of Public Service shall have jurisdiction under those sections over the entity, its directors, receivers, trustees, lessees, or other persons or companies owning or operating the entity and of all plants, equipment, and property of that entity used in or about the business carried on by it in this State as covered and included in this section. This jurisdiction shall be exercised by the Commission and the Department so far as may be necessary to enable them to perform the duties and exercise the powers conferred upon them by law. The Commission and the Department each may, when they deem the public good requires, examine the plants, equipment, and property of any~~

entity appointed by order of appointment under subdivisions (2) and ~~(4)(6)~~ of this subsection.

(8) Provision of services for customers with low and moderate income; requirements. Any appointed entity shall ensure provision of services as follows:

(A) Not less than 25 percent of the annual budget shall be targeted for residential services for customers with low to moderate income. Services shall include the provision of weatherization services and other efficiency measures for the purpose of reducing a household's total energy costs and total energy burden.

(B) Not less than 12.5 percent of the annual budget shall be targeted for small businesses and not-for-profit organizations.

(C) The cost of providing services under this subdivision (8) shall be excluded from the calculation of cost-effectiveness for the appointed entity's portfolio of services.

(D) As used in this subdivision (8), "customer with low income" means a customer with a household income of up to 80 percent of the area median income as published annually by the U.S. Department of Housing and Urban Development and "customer with moderate income" means a customer with a household income between 80 percent and 120 percent of the median income as published annually by the U.S. Department of Housing and Urban Development.

(e) Thermal energy and process fuel efficiency funding.

~~(1) Each of the following shall be used to deliver thermal energy and process fuel energy efficiency services in accordance with this section for unregulated fuels to Vermont consumers of such fuels. In addition, the The Commission may authorize an entity appointed to deliver such services under subdivision (d)(2)(B) of this section to use monies subject to this subsection for the engineering, design, and construction of facilities for the conversion of thermal energy customers using fossil fuels to district heat if the majority of the district's energy is from biomass sources, the district's distribution system is highly energy efficient, and such conversion is cost effective.~~

~~(A) Net revenues above costs associated with payments from the New England Independent System Operator (ISO-NE) for capacity savings resulting from the activities of the energy efficiency utility designated under subdivision (2)(A) of this subsection (e) that are not transferred to the State PACE Reserve Fund under 24 V.S.A. § 3270(e). These revenues shall be deposited into the Electric Efficiency Fund established by this section. In delivering services with~~

~~respect to heating systems using the revenues subject to this subdivision (A), the entity shall give priority to incentives for the installation of high efficiency biomass heating systems and shall have a goal of offering an incentive that is equal to 25 percent of the installed cost of such a system. Provision of an incentive under this subdivision (A) for a biomass heating system shall not be contingent on the making of other energy efficiency improvements at the property on which the system will be installed.~~

~~(B) Net revenues above costs from the sale of carbon credits under the cap and trade program established under section 255 of this title, which shall be deposited into the Electric Efficiency Fund established by this section.~~

~~(C) Any other monies that are appropriated to or deposited in the Electric Efficiency Fund for the delivery of thermal energy and process fuel energy efficiency services.~~

~~(2) If a program combines regulated fuel efficiency services with unregulated fuel efficiency services supported by funds under this section, the Commission shall allocate the costs of the program among the funding sources for the regulated and unregulated fuel sectors in proportion to the benefits provided to each sector.~~

~~(3) In this subsection:~~

~~(A) “Biomass” means organic nonfossil material constituting a source of renewable energy within the meaning of section 8002 of this title.~~

~~(B) “District heat” means a system through which steam or hot water from a central plant is piped into buildings to be used as a source of thermal energy.~~

~~(C) “Efficiency services” includes the establishment of a statewide information clearinghouse under subsection (g) of this section.~~

~~(D) “Fossil fuel” means an energy source formed in the earth’s crust from decayed organic material. The common fossil fuels are petroleum, coal, and natural gas. A fossil fuel may be a regulated or unregulated fuel.~~

~~(E) “Regulated fuels” means electricity and natural gas delivered by a regulated utility.~~

~~(F) “Unregulated fuels” means fuels used by thermal energy and process fuel customers other than electricity and natural gas delivered by a regulated utility.~~

~~(f) Goals and criteria; all energy efficiency programs. With respect to all energy efficiency programs approved under this section, the Commission shall:~~

(1) Ensure that all retail consumers, regardless of retail electricity, gas, or heating or process fuel provider, will have an opportunity to participate in and benefit from a comprehensive set of cost-effective energy efficiency and electrification programs and initiatives designed to overcome barriers to participation.

(2) Require that continued or improved efficiencies be made in the production, delivery, and use of energy efficiency services, including the use of compensation mechanisms for any energy efficiency entity appointed under subdivision (d)(2) of this section that are based upon verified greenhouse gas emission reductions, savings in energy usage and demand, and other performance targets specified by the Commission. The linkage between compensation and verified savings in energy usage and demand (and other performance targets) shall be reviewed and adjusted not less than triennially by the Commission.

* * *

(g) Thermal energy and process fuel efficiency programs; additional criteria. With respect to energy efficiency programs delivered under this section to thermal energy and process fuel customers, the Commission shall:

(1) Ensure that programs are delivered ~~on a whole-buildings basis to help meet the State's building efficiency goals established by 10 V.S.A. § 581 and to reduce greenhouse gas emissions from thermal energy and process fuel use in Vermont.~~

(2) ~~Require the establishment of a statewide information clearinghouse to enable effective access for customers to and effective coordination across programs. The clearinghouse shall serve as a portal for customers to access thermal energy and process fuel efficiency services and for coordination among State, regional, and local entities involved in the planning or delivery of such services, making referrals as appropriate to service providers and to entities having information on associated environmental issues such as the presence of asbestos in existing insulation.~~

(3) ~~In consultation with the Agency of Natural Resources, establish annual interim goals starting in 2014 to meet the 2017 and 2020 goals for improving the energy fitness of housing stock stated in 10 V.S.A. § 581(1).~~

(4) Ensure the monitoring of the State's progress in meeting the goals of 10 V.S.A. § 581(1). This monitoring shall be performed according to a standard methodology and on a periodic basis that is not less than annual.

* * *

Sec. 1a. LOW-INCOME EFFICIENCY RATE

On or before September 1, 2026, the appointed entity shall propose, and the Commission shall evaluate the appropriateness of, a statewide low-income energy efficiency rate for regulated fuels. The Commission may consider the technical feasibility of implementation before approving such a rate. However, if a rate is approved, a distribution utility that is also an appointed entity, and has a Commission-approved discounted low-income rate, that appointed entity may elect to apply its Commission-approved discounted low-income rate criteria to the energy efficiency charge in lieu of adopting a statewide low-income energy efficiency rate.

Sec. 1b. ENERGY EFFICIENCY MODERNIZATION STUDY

On or before April 30, 2026, the Public Utility Commission as part of its report due under 2020 Acts and Resolves No. 151, shall make recommendations, based on the results of the pilot program under that act, on how to best achieve least cost integrated planning and greenhouse gas emissions reductions from both the thermal and electric sectors.

(Committee vote: 5-2-0)

Reported favorably by Senator Watson for the Committee on Appropriations.

The Committee recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Natural Resources and Energy and Finance.

(Committee vote: 4-3-0)

UNFINISHED BUSINESS OF WEDNESDAY, MARCH 26, 2025

Committee Bill for Second Reading

Favorable with Recommendation of Amendment

S. 127.

An act relating to housing and housing development.

By the Committee on Economic Development, Housing and General Affairs. (Senator Ram Hinsdale for the Committee.)

Reported favorably by Senator Cummings for the Committee on Finance.

(Committee Vote: 6-1-0)

Reported favorably with recommendation of amendment by Senator Watson for the Committee on Appropriations.

The Committee recommends that the bill be amended as follows:

First: By striking out Sec. 4, 32 V.S.A. § 5930u, and its reader assistance heading in their entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. [Deleted.]

Second: In Sec. 5, by striking out subsection (g)

Third: By striking out Sec. 15, brownfield funding, in its entirety and inserting in lieu thereof a new Sec. 15 to read as follows:

Sec. 15. [Deleted.]

Fourth: By striking out Secs. 18–21, and their reader assistance headings in their entirety and renumbering the remaining section to be numerically correct.

(Committee vote: 7-0-0)

Amendment to S. 127 to be offered by Senators Ram Hinsdale, Clarkson, Brock and Chittenden

Senators Ram Hinsdale, Clarkson, Brock and Chittenden move to amend the bill as follows

First: By striking out Sec. 4 in its entirety and inserting in lieu thereof a reader assistance heading and new Sec. 4 to read as follows:

* * * VHFA Rental Housing Revolving Loan Program * * *

Sec. 4. 2023 Acts and Resolves No. 47, Sec. 38 is amended to read:

Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM

(a) Creation; administration. The Vermont Housing Finance Agency shall design and implement a Rental Housing Revolving Loan Program and shall create and administer a revolving loan fund to provide subsidized loans for rental housing developments that serve middle-income households.

(b) Loans; eligibility; criteria.

* * *

(7) The Agency shall use one or more legal mechanisms to ensure that:

(A) a subsidized unit remains affordable to a household earning the applicable percent of area median income for the longer of:

(i) seven years; or

(ii) full repayment of the loan plus three years; and

(B) during the affordability period determined pursuant to subdivision (A) of this subdivision (7), the annual increase in rent for a subsidized unit does not exceed three percent or an amount otherwise authorized by the Agency.

* * *

Second: By adding a reader assistance heading and two new sections to be Secs. 17a and 17b to read as follows:

* * * Smoke and Carbon Monoxide Alarms * * *

Sec. 17a. 9 V.S.A. chapter 77 is amended to read:

CHAPTER 77. SMOKE ~~DETECTORS~~ ALARMS AND CARBON MONOXIDE ~~DETECTORS~~ ALARMS

§ 2881. DEFINITIONS

As used in this chapter:

* * *

(2) “Smoke ~~detector~~ alarm” means a device that detects visible or invisible particles of combustion and sounds a warning alarm, is operated from a power supply within the unit or wired to it from an outside source, and is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.

(3) “Carbon monoxide ~~detector~~ alarm” means a device with an assembly that incorporates a sensor control component and an alarm notification that detects elevations in carbon monoxide levels and sounds a warning alarm, is operated from a power supply within the unit or wired to it from an outside source, and is approved or listed for the purpose by Underwriters Laboratory or by another nationally recognized independent testing laboratory.

§ 2882. INSTALLATION

(a) A person who constructs a single-family dwelling shall install ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms in the vicinity of any bedrooms and on each level of the dwelling, and one or more carbon monoxide ~~detectors~~ alarms in the vicinity of any bedrooms in the dwelling in accordance with the manufacturer’s instructions. In a dwelling provided with electrical power, ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.

(b) Any single-family dwelling when transferred by sale or exchange shall contain ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms in the vicinity of any bedrooms and on each level of the dwelling installed in accordance with the manufacturer's instructions and one or more carbon monoxide ~~detectors~~ alarms installed in accordance with the manufacturer's instructions. A single-family dwelling constructed before January 1, 1994 may contain smoke ~~detectors~~ alarms powered by the electrical service in the building or by battery, or by a combination of both. In a single-family dwelling newly constructed after January 1, 1994 that is provided with electrical power, smoke ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery. In a single-family dwelling newly constructed after July 1, 2005 that is provided with electrical power, carbon monoxide ~~detectors~~ alarms shall be powered by the electrical service in the building and by battery.

(c) Nothing in this section shall require an owner or occupant of a single-family dwelling to maintain or use a smoke ~~detector~~ alarm or a carbon monoxide ~~detector~~ alarm after installation.

§ 2883. REQUIREMENTS FOR TRANSFER OF DWELLING

(a) The seller of a single-family dwelling, including one constructed for first occupancy, whether the transfer is by sale or exchange, shall certify to the buyer at the closing of the transaction that the dwelling is provided with ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms and carbon monoxide ~~detectors~~ alarms in accordance with this chapter. This certification shall be signed and dated by the seller.

(b) If the buyer notifies the seller within 10 days by certified mail from the date of conveyance of the dwelling that the dwelling lacks any ~~photoelectric-only-type~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms, or any carbon monoxide ~~detectors~~ alarms, or that any ~~detector~~ alarm is not operable, the seller shall comply with this chapter within 10 days after notification.

* * *

Sec. 17b. 20 V.S.A. § 2731 is amended to read:

§ 2731. RULES; INSPECTIONS; VARIANCES

* * *

(j) ~~Detectors~~ Alarms. Rules adopted under this section shall require that information written, approved, and distributed by the Commissioner on the type, placement, and installation of ~~photoelectric~~ photoelectric-type or UL 217 compliant smoke ~~detectors~~ alarms and carbon monoxide ~~detectors~~ alarms be

conspicuously posted in the retail sales area where the ~~detectors~~ alarms are sold.

* * *

Third: By striking out Sec. 18, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof a reader assistance heading and a new section Sec. 18 to read as follows:

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that Sec. 4 and this section shall take effect on passage.

Amendment to S. 127 to be offered by Senators Cummings, Beck, Brock, Chittenden, Gulick, Hardy and Mattos

Senators Cummings, Beck, Brock, Chittenden, Gulick, Hardy and Mattos move to amend the bill as follows:

First: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1906, in subdivision (6), by striking out the word “affordable”

Second: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1906, in subdivision (10)(A), by striking out “commercial and industrial facilities,”

Third: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1906, by striking out subdivision (1) in its entirety and by renumbering the remaining subdivisions to be numerically correct

Fourth: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, by striking out section 1907 in its entirety and inserting in lieu thereof a new section 1907 to read as follows:

§ 1907. PURPOSE

The purpose of housing infrastructure tax increment financing is to provide revenues for improvements and related costs to encourage the development of primary residences for households of low- or moderate-income.

Fifth: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1910, in subsection (d), following “the projected housing development includes”, by striking out the word “affordable”

Sixth: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1910d, in subsection (b), by inserting a new subdivision (5) to read:

(5) the number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans)

and, for each applicable housing development, the current stage of the permitting process;

and by renumbering the remaining subdivisions to be numerically correct

Seventh: In Sec. 16, 24 V.S.A. chapter 53, subchapter 7, in section 1910d, by adding a new subsection to be (c) to read:

(c) On or before January 15, 2030, the Vermont Economic Progress Council shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means evaluating the success of the Community and Housing Infrastructure Program in achieving its purpose, as stated in section 1907 of this chapter, including by identifying the amount and kinds of housing produced through the Program and by determining whether housing development pursued through the Program meets the project criterion and location criteria of section 1910 of this chapter.

Eighth: By adding a new section to be Sec. 17a to read as follows:

Sec. 17a. PROSPECTIVE REPEAL OF COMMUNITY AND HOUSING
INFRASTRUCTURE PROGRAM

24 V.S.A. chapter 53, subchapter 7 (Community and Housing Infrastructure Program) is repealed on July 1, 2031.

Ninth: By adding a new section to be Sec. 17b to read as follows:

Sec. 17b. 32 V.S.A. § 3325 is amended to read:

§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL

(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:

(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and

(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title; and

(3) ~~housing infrastructure tax increment financing pursuant to 24 V.S.A. chapter 53, subchapter 7.~~ [Repealed.]

* * *

(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or

deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, ~~or to approve or deny a housing infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7~~ is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.

Tenth: By striking Sec. 22, effective date, and its reader assistance heading in their entirety and inserting in lieu thereof a new reader assistance heading and Sec. 22 to read as follows:

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

(a) Sec. 17b (removal of VEPC authority for CHIP) shall take effect on July 1, 2031.

(b) All other sections shall take effect on July 1, 2025.

Second Reading

Favorable

H. 154.

An act relating to designating November as the Vermont Month of the Veteran.

Reported favorably by Senator Hart for the Committee on Government Operations.

(Committee vote: 5-0-0)

(No House Amendment)

NEW BUSINESS

Third Reading

S. 46.

An act relating to the taxation of vehicles used for forestry operations.

S. 71.

An act relating to consumer data privacy and online surveillance.

S. 126.

An act relating to health care payment and delivery system reform.

CONCURRENT RESOLUTIONS FOR NOTICE

Concurrent Resolutions For Notice Under Joint Rule 16

The following joint concurrent resolutions have been introduced for approval by the Senate and House. They will be adopted by the Senate unless a Senator requests floor consideration before the end of the session of the next legislative day. Requests for floor consideration should be communicated to the Secretary's Office.

H.C.R. 63-69 (For text of Resolutions, see Addendum to Senate Calendar of March 27, 2025)

CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Utility Commission, underlined below, shall be fully and separately acted upon.

Andrew Collier of Westford - Commissioner of the Department of Motor Vehicles - By Senator Brennan for the Committee on Transportation (February 19, 2025)

Peter Ireland of Waitsfield - MD Member of the Board of Medical Practice - By Senator Gulick for the Committee on Health and Welfare (March 26, 2025)

Julie Moore of Middlesex - Secretary of Agency of Natural Resources - By Senator Watson for the Committee on Natural Resources and Energy (March 26, 2025)

Bob Fischer of Barre - Member of the Vermont Citizens Advisory Committee - By Senator Watson for the Committee on Natural Resources and Energy (March 26, 2025)

Alex Weinhagen of Burlington - Member of the Land Use Review Board - By Senator Watson for the Committee on Natural Resources and Energy (March 26, 2025)

Hilary Solomon of Poultney - Member of the Vermont Citizens Advisory Committee - By Senator Williams for the Committee on Natural Resources and Energy (March 26, 2025)

Janet M. Hurley of Manchester - Chair of the Land Use Review Board - By Senator Bongartz for the Committee on Natural Resources and Energy (March 26, 2025)

Sarah H. Hadd of St. Albans - Member of the Land Use Review Board - By Senator Hardy for the Committee on Natural Resources and energy (March 26, 2025)

JFO NOTICE

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3):

JFO #3246: 125+ acre land donation valued at \$184,830.00 from Pieter Van Schaik of Cavendish, VT to the Agency of Natural Resources, Department of Forests, Parks and Recreation. The acreage will become part of the Lord State Forest.

[Received March 24, 2025]

FOR INFORMATION ONLY

CROSSOVER DATES

The Joint Rules Committee established the following crossover deadlines:

(1) All Senate/House bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before Friday, March 14, 2025, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day – Committee bills must be voted out of Committee by Friday, March 14, 2025.

(2) All Senate/House bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before Friday, March 21, 2025, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

Note: The Senate will not act on bills that do not meet these crossover deadlines, without the consent of the Senate Rules Committee.

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)