

# Senate Calendar

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TUESDAY, APRIL 22, 2025

SENATE CONVENES AT: 9:30 A.M.

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**ACTION CALENDAR**

**UNFINISHED BUSINESS OF THURSDAY, APRIL 17, 2025**

**Second Reading**

**Favorable with Proposal of Amendment**

**H. 463.**

An act relating to technical corrections for the 2025 legislative session.

**Reported favorably with recommendation of proposal of amendment by Senator Clarkson for the Committee on Government Operations.**

The Committee recommends that the Senate propose to the House to amend the bill in Sec. 7, 9 V.S.A. § 206, following “pertaining” by inserting to

(Committee vote: 5-0-0)

(No House amendments)

**NEW BUSINESS**

**Third Reading**

**H. 398.**

An act relating to the Vermont Economic Development Authority.

**Proposal of amendment to H. 398 to be offered by Senators Chittenden, Beck, Brock, Cummings, Gulick, Hardy and Mattos before Third Reading**

Senators Chittenden, Beck, Brock, Cummings, Gulick, Hardy and Mattos move that the Senate propose to the House to amend the bill as follows

First: In Sec. 1, 10 V.S.A. chapter 12, in section 254, in the section heading, by striking out the word “STATE” and inserting in lieu thereof “STATE AUTHORITY”

Second: In Sec. 1, 10 V.S.A. chapter 12, in section 280gg, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a)(1) There is established within the Authority the Vermont Disaster Recovery Loan Fund, referred to in this subchapter as “the Fund,” the purpose of which is to enable the Authority to provide loans and other forms of financial assistance to businesses, including agricultural and forest product enterprises, after disasters.

(2) The Authority shall consult with the Secretary of Commerce and Community Development; the Secretary of Agriculture, Food and Markets; and the Commissioner of Forests, Parks and Recreation in determining whether funds shall be made available following a nondeclared disaster event impacting areas of the State. A consultation shall not be required in the event of a disaster declaration declared by the Governor or the President of the United States.

## **Second Reading**

### **Favorable**

#### **H. 17.**

An act relating to approval of the adoption of the charter of the Town of Morristown.

**Reported favorably by Senator Collamore for the Committee on Government Operations.**

(Committee vote: 5-0-0)

(No House amendments)

#### **H. 21.**

An act relating to service of writs of possession.

**Reported favorably by Senator Norris for the Committee on Judiciary.**

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 12, 2025, pages 381-382)

#### **H. 206.**

An act relating to the Uniform Commercial Code.

**Reported favorably by Senator Cummings for the Committee on Finance.**

(Committee vote: 7-0-0)

(For House amendments, see House Journal of March 13, 2025, pages 395-396)

### **Favorable with Proposal of Amendment**

#### **H. 13.**

An act relating to Medicaid payment rates for home- and community-based service providers.

**Reported favorably with recommendation of proposal of amendment by Senator Gulick for the Committee on Health and Welfare.**

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

Sec. 1. 33 V.S.A. § 900 is amended to read:

§ 900. DEFINITIONS

~~Unless otherwise required by the context, the words and phrases in this chapter shall be defined as follows~~ As used in this chapter:

\* \* \*

(7) “Community-based services” means the following services provided pursuant to Vermont’s Global Commitment to Health Section 1115 Medicaid demonstration or a successor program:

(A) long-term services and supports provided to older adults and adults with disabilities in a home or community setting other than a nursing home, including enhanced residential care services;

(B) home health and hospice services, adult day rehabilitation services, and assistive community care services; and

(C) short- and long-term services and supports provided to individuals with mental conditions, individuals with substance use disorders, individuals with developmental or intellectual disabilities, and individuals with a brain injury, in a home or community setting that is not a clinical residential setting or a private nonmedical residential setting.

Sec. 2. 33 V.S.A. § 911 is added to read:

§ 911. PAYMENT RATES FOR PROVIDERS OF COMMUNITY-BASED SERVICES

(a) The Secretary of Human Services shall determine payment rates for providers of community-based services that are reasonable and adequate to achieve the required outcomes for the populations they serve. When determining these payment rates, the Secretary:

(1) shall adjust the rate amounts to take into account factors that include:

(A) the reasonable cost of any governmental mandate that has been enacted, adopted, or imposed by any State or federal authority; and

(B) a cost adjustment factor to reflect changes in reasonable costs of goods to and services of providers of community-based services, including those attributed to inflation and labor market dynamics; and

(2) may consider geographic differences in wages, benefits, housing, and real estate costs in each region of the State.

(b) The Secretary shall establish a methodology for determining payment rates for providers of community-based services in accordance with this section. The methodology shall:

(1) provide a schedule for conducting studies of the Medicaid reimbursement rates paid to the providers of community-based services, including the rates' adequacy and their underlying methodologies, that includes studying the rates paid to providers for each type of service at least once every five years;

(2) set forth a predictable timeline for redetermination of base rates;

(3) include a process for determining an annual inflationary rate adjustment;

(4) to the extent permitted by the Centers for Medicare and Medicaid Services, take into account the financial needs of providers whose reimbursements may be negatively affected by client absences; and

(5) use Vermont labor market rates and Vermont costs of operation.

(c) The Secretary shall establish a process by which a provider of community-based services whose financial condition places it at imminent risk of closure may seek extraordinary financial relief from the Agency.

(d) The Secretary shall redetermine the payment rates for providers of community-based services in accordance with this section at least annually and shall report those rates, and the amounts necessary to fund them, to the House Committees on Appropriations, on Human Services, and on Health Care and the Senate Committees on Appropriations and on Health and Welfare annually as part of the Agency's budget presentation.

Sec. 3. 18 V.S.A. § 8914 is amended to read:

§ 8914. RATES OF PAYMENTS TO DESIGNATED AND SPECIALIZED SERVICE AGENCIES

(a) The Secretary of Human Services shall ~~have sole responsibility for establishing~~ determine the Departments of Health's, of Mental Health's, and of Disabilities, Aging, and Independent Living's rates of payments for designated and specialized service agencies ~~that are reasonable and adequate to achieve~~

~~the required outcomes for designated populations in accordance with 33 V.S.A. § 911. When establishing rates of payment for designated and specialized service agencies, the Secretary shall adjust rates to take into account factors that include:~~

~~(1) the reasonable cost of any governmental mandate that has been enacted, adopted, or imposed by any State or federal authority; and~~

~~(2) a cost adjustment factor to reflect changes in reasonable costs of goods and services of designated and specialized service agencies, including those attributed to inflation and labor market dynamics.~~

~~(b) When establishing rates of payment for designated and specialized service agencies, the Secretary may consider geographic differences in wages, benefits, housing, and real estate costs in each region of the State.~~

#### Sec. 4. PAYMENT RATES FOR PROVIDERS OF COMMUNITY-BASED SERVICES; UPDATE ON IMPLEMENTATION; REPORT

On or before January 15, 2026, the Agency of Human Services shall report to the House Committees on Human Services and on Health Care and the Senate Committee on Health and Welfare with an update on the Agency's implementation of 33 V.S.A. § 911, as added by Sec. 2 of this act, including the Agency's proposed schedule for Medicaid rate studies and the methodology the Agency developed for determining payment rates for providers of community-based services.

#### Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: "An act relating to Medicaid payment rates for community-based service providers"

(Committee vote: 5-0-0)

(For House amendments, see House Journal of February 18, 2025, page 177)

**Reported favorably by Senator Lyons for the Committee on Appropriations.**

(Committee vote: 7-0-0)

**NOTICE CALENDAR**

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 131.**

An act relating to approval of an amendment to the charter of the City of Burlington relating to the possession of firearms.

**Reported favorably with recommendation of amendment by Senator Vyhovsky for the Committee on Government Operations.**

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

**Sec. 1. CHARTER AMENDMENT APPROVAL**

The General Assembly approves the amendment to the charter of the City of Burlington as set forth in this act. Voters approved the proposal of amendment on March 4, 2025.

Sec. 2. 24 App. V.S.A. chapter 3 is amended to read:

**CHAPTER 3. CITY OF BURLINGTON**

\* \* \*

**§ 510. BAN ON FIREARMS IN PREMISES LICENSED TO SERVE ALCOHOLIC BEVERAGES**

(a) Statutes superseded. This section expressly supersedes 24 V.S.A. §§ 2291(8) and 2295 and authorizes the City to regulate the possession and carrying of firearms pursuant to this section.

(b) Ban. Within the City of Burlington, no person may knowingly possess a firearm, as defined by 13 V.S.A. § 4016(a)(3), in any premises licensed to serve alcoholic beverages.

(c) Exceptions. This provision shall not apply to:

(1)(A) a second-class licensed premises, including premises used for a retail alcoholic beverage tasting permit;

(B) sidewalks or public highways that pass through an outside premises for which a licensee holds an outside consumption permit;

(C) the premises for which a licensee holds a limited event permit, special event permit, or special event serving permit; or



(D) a dining car for which a licensee holds a promotional railroad tasting permit; or

(2) a firearm possessed by:

(A) any federal, State, or local law enforcement officer acting within the scope of that officer's official duties;

(B) any member of the armed forces of the United States or the Vermont National Guard acting within the scope of that person's military duties;

(C) any government officer, agent, or employee authorized to carry a weapon and acting within the scope of that person's duties; or

(D) the holder of the license for the premises, provided that person is not prohibited from possessing or carrying that weapon under any other federal, State, or local law.

(d) Penalties. The penalty for any violation of this section shall be as follows:

(1) Criminal offense. Any violation of this section may be considered a criminal offense, which shall be punishable by a fine of not more than \$1,000.00 or imprisonment for not more than 90 days.

(2) Civil offense. Any violation of this section may also be considered a civil ordinance violation punishable by a civil penalty of not less than \$200.00 and not more than \$500.00.

### Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 3-2-0)

### **Favorable with Proposal of Amendment**

#### **H. 488.**

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

**Reported favorably with recommendation of proposal of amendment by Senator Westman for the Committee on Transportation.**

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

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

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation’s Proposed Fiscal Year 2026 Transportation Program appended to the Agency of Transportation’s proposed fiscal year 2026 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

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

(1) “Agency” means the Agency of Transportation.

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

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

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

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

(6) “Mileage-based user fee” or “MBUF” means a fee for vehicle use of the public road system with distance, stated in miles, as the measure of use.

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

(8) “Secretary” means the Secretary of Transportation.

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

(10) The table heading “As Proposed” means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading “As Amended” means the amendments as made by this act; the table heading “Change” means the difference obtained by subtracting the “As

Proposed” figure from the “As Amended” figure; the terms “change” or “changes” in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net “Change” in the applicable table heading; and “State” in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

\* \* \* Rail Program; Technical Correction \* \* \*

Sec. 2. RAIL PROGRAM

(a) Within the Agency of Transportation’s Proposed Fiscal Year 2026 Transportation Program for Rail the following project is deleted: Barre–Berlin–Montpelier 04-9038–WACR Subsidy.

(b) Within the Agency of Transportation’s Proposed Fiscal Year 2026 Transportation Program for Rail, the following project is added: Hartford HRRD(1) 25G002–White River Junction Depot Repairs.

(c) Within the Agency of Transportation’s Proposed Fiscal Year 2026 Transportation Program for Rail, spending authority for Hartford HRRD(1) 25G002–White River Junction Depot Repairs is authorized as follows:

<u>FY26</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Other	0	260,000	260,000
Total	0	260,000	260,000
<u>Sources of funds</u>			
State	0	260,000	260,000
Total	0	260,000	260,000

\* \* \* Unobligated Fund Balance for Fiscal Year 2026 \* \* \*

Sec. 3. UNOBLIGATED TRANSPORTATION FUND BALANCE; FISCAL YEAR 2026

Notwithstanding any other provision of law, the Secretary of Administration shall ensure an unobligated fund balance of at least \$686,000.00 exists in the Transportation Fund in fiscal year 2026 after the close of fiscal year 2025. It is the intent of the General Assembly that in the creation of the fiscal year 2026 budget adjustment proposal and the fiscal year 2027 budget proposal, the unobligated fund balance required pursuant to this section shall be utilized to offset estimated Transportation Fund revenue losses from fee and tax reductions enacted during the 2025 legislative session.

\* \* \* State and Federal Funding Updates \* \* \*

Sec. 4. STATE AND FEDERAL FUNDING UPDATES

(a) On or before September 30, 2025 and December 15, 2025, the Secretary of Transportation shall provide the Joint Transportation Oversight Committee with a briefing on the status of State Transportation Fund revenues and federal funding for the fiscal year 2026 Transportation Program, and any impacts on the fiscal year 2026 Transportation Program. The briefing shall include:

(1) a summary of federal funding that has been received to date, federal funding that is anticipated later in the State fiscal year, federal funding that is delayed, and federal funding that has been reduced or subject to rescission;

(2) a summary of the Transportation Fund revenues to date in State fiscal year 2026;

(3) a summary of the impacts on the fiscal year 2026 Transportation Program that are caused by changes in State Transportation Fund revenues from the consensus forecast or delays or reductions in federal funding; and

(4) a summary of any legislative action that may be necessary to address reductions in State revenues or federal funding.

(b) Upon becoming aware of a significant change in State revenues or a reduction in federal funding, rescission of federal grants, or delay of anticipated federal funding that will impact the Agency's ability to carry out significant portions of the fiscal year 2026 Transportation Program, the Secretary of Transportation may request that the Joint Transportation Oversight Committee meet within 14 days to review the Agency's plan to address the reduction in funding.

(c) In the event of a decrease in overall State or federal funding for the fiscal year 2026 Transportation Program that is in excess of four percent, the Secretary shall submit to the Joint Transportation Oversight Committee a written report detailing the impact of the decrease on projects that are in the 2026 Transportation Program.

\* \* \* Project Dashboard \* \* \*

Sec. 5. 19 V.S.A. § 10g is amended to read:

§ 10g. ANNUAL REPORT; TRANSPORTATION PROGRAM;  
ADVANCEMENTS, CANCELLATIONS, AND DELAYS

\* \* \*

(q)(1) The Agency's annual proposed Transportation Program shall include the following information depicted in a graphical dashboard:

(A) the percentage of projects in each section of the Transportation Program that have been delayed by more than one year from the preliminary plan projected completion date; and

(B) the percentage of projects in each section of the Transportation Program whose cost has increased by more than 50 percent or \$5,000,000.00, whichever is less, from the preliminary plan cost estimate.

(2) The Agency shall provide the House and Senate Committees on Transportation with quarterly updates to the dashboard provided pursuant to subsection (a) of this section.

Sec. 6. 19 V.S.A. § 10g(g) is amended to read:

~~(g) Project updates.—The Agency’s annual proposed Transportation Program shall include project updates referencing this section and listing the following:~~

~~(1) all proposed projects in the Program that would be new to the State Transportation Program;~~

~~(2) all projects for which total estimated costs have increased by more than \$5,000,000.00 from the estimate in the adopted Transportation Program for the prior fiscal year or by more than 75 percent from the estimate in the adopted Transportation Program for the prior fiscal year;~~

~~(3) all projects for which the total estimated costs have, for the first time, increased by more than \$10,000,000.00 from the Preliminary Plan estimate or by more than 100 percent from the Preliminary Plan estimate; and~~

~~(4) all projects funded for construction in the prior fiscal year’s adopted Transportation Program that are no longer funded in the proposed Transportation Program submitted to the General Assembly, the projected costs for such projects in the prior fiscal year’s adopted Transportation Program, and the total costs incurred over the life of each such project. [Repealed.]~~

\* \* \* Relinquishment of Vermont Route 36 in the Town of St. Albans \* \* \*

#### Sec. 7. RELINQUISHMENT OF VERMONT ROUTE 36 IN THE TOWN OF ST. ALBANS

Pursuant to 19 V.S.A. § 15(a)(2), the General Assembly authorizes the Secretary of Transportation to enter into an agreement with the Town of St. Albans to relinquish a segment of the State highway in the Town of St. Albans known as Vermont Route 36. The segment authorized to be relinquished begins at mile marker 0.00, just east of the “Black Bridge” (B2), and continues 14,963 feet (approximately 2.834 miles) easterly to mile marker 2.834, where

Vermont Route 36 meets the boundary of the City of St. Albans, and includes the 0.106-mile westbound section of Vermont Route 36 and approaches at the entrance to the St. Albans Bay Town Park.

\* \* \* State-Owned Railroads; Rail Trails \* \* \*

Sec. 8. 5 V.S.A. chapter 58 is redesignated to read:

CHAPTER 58. STATE ACQUISITION OF STATE-OWNED RAILROADS AND RAIL TRAILS

Sec. 9. 5 V.S.A. § 3408 is amended to read:

§ 3408. RAILBANKING; NOTIFICATION

(a) If the Secretary finds that the continued operation of any State-owned railroad property is not economically feasible under present conditions, ~~he or she~~ the Secretary may place the line in railbanked status after giving advance notice of ~~such~~ the planned railbanking to the House and Senate Committees on Transportation when the General Assembly is in session, and when the General Assembly is not in session, to the Joint Transportation Oversight Committee. The Agency, on behalf of the State, shall continue to hold the right-of-way of a railbanked line for reactivation of railroad service or for other public purposes not inconsistent with future reactivation of railroad service. ~~Such~~ The railbanking shall not be treated, for purposes of any law or rule of law, as an abandonment of the use of the rights-of-way for railroad purposes.

\* \* \*

(c)(1) The Secretary may, after consulting with municipalities, adopt rules consistent with the provisions of section 3408a of this chapter governing the interim trail use of State-owned railroad rights-of-way that have been placed in railbanked status.

(2) Signs indicating the rules shall be conspicuously posted in or near all areas affected.

(3) Any person who violates these rules adopted pursuant to this subsection shall be subject to a penalty of not more than \$300.00.

Sec. 10. 5 V.S.A. § 3408a is added to read:

§ 3408a. USE OF RAIL TRAILS

(a) Definitions. As used in this section:

(1) “Rail trail” means the right-of-way of a State-owned railroad line that has been authorized for railbanking and interim trail use pursuant to 16 U.S.C. § 1247(d) or section 3408 of this chapter.

(2) “Trail sponsor” means the Agency of Transportation in the case of a rail trail maintained by the Agency or the municipality in the case of a rail trail maintained by a municipality.

(b) Use of rail trails. The following acts are prohibited within a rail trail right-of-way:

(1) Throwing, dropping, or discarding bottles, cans, paper, garbage, rubbish, sewage, or other material of any kind.

(2) Cutting, mutilating, or removing any tree, shrub, flower, plant, top soil, or sod or attempting to do so.

(3) Injury, defacement, removal, or destruction of the surface of the rail trail or a rail trail’s structures, appurtenances, recreation facilities, or property.

(4) Except as authorized by the trail sponsor, erecting, placing, or displaying any advertising materials, posters, or placards of any kind. This prohibition shall not apply to official signs erected by the trail sponsor.

(5) Except as authorized by the trail sponsor, entering or remaining on the rail trail for the purpose of:

(A) selling, hiring, or leasing any goods or services; or

(B) distributing samples, pamphlets, or advertising materials, except for official information authorized by the trail sponsor.

(6) Parades, demonstrations, picnics, games, entertainment, or organizations, except at times and locations approved by the trail sponsor.

(7) Harassing or molesting wildlife, except for fishing.

(8) Using or discharging any firearms or other weapons or fireworks, except by a person authorized by the trail sponsor or as otherwise permitted by law.

(9) Igniting fires for any purpose, except in fireplaces or firepits at locations designated by the trail sponsor or for trail maintenance purposes.

(10) Soliciting alms or contributions.

(11) Use of motorized vehicles, except for:

(A) maintenance purposes;

(B) snowmobiles, subject to applicable State rules, when the Vermont Association of Snow Travelers, Inc. has declared the Statewide Snowmobile Trail System officially open;

(C) Other Power-Driven Mobility Devices (OPDMD) utilized by an individual with a disability as permitted by the Agency's Rail Trail Accessibility Policy;

(D) electric bicycles as permitted pursuant to applicable State rules;  
and

(E) other circumstances that the trail sponsor determines are appropriate.

(12) Overnight camping, except at areas designated for that purpose by the trail sponsor.

(c) Penalty. Any person who violates the provisions of subsection (b) of this section shall be subject to a civil penalty pursuant to subdivision 3408(c)(3) of this chapter.

\* \* \* Transportation Board \* \* \*

Sec. 11. 19 V.S.A. § 3 is amended to read:

#### § 3. TRANSPORTATION BOARD; CREATION; MEMBERS

~~A transportation board~~ The Transportation Board is formed to be attached to the Agency of Transportation. There shall be seven members of the Board, appointed by the Governor with the advice and consent of the Senate. The Governor shall so far as is possible appoint Board members whose interests and expertise lie in various areas of the transportation field. The Governor shall appoint the ~~chair~~ Chair, and the Board may vote to appoint other officers. The members of the Board shall be appointed for terms of three years. Board members may be appointed for two additional three-year terms but shall not be eligible for further reappointment. ~~No~~ Not more than four members of the Board shall belong to the same political party. No member of the Board shall:

\* \* \*

Sec. 12. 19 V.S.A. § 5 is amended to read:

#### § 5. TRANSPORTATION BOARD; POWERS AND DUTIES

\* \* \*

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

\* \* \*

(4) provide appellate review, when requested in writing, regarding legal disputes in the execution of contracts awarded by the Agency or by municipalities cooperating with the Agency to advance projects in the State's



Transportation Program, except that the Agency shall provide appellate review relating to bids and the competitive negotiation process under 19 V.S.A. § 10a;

(5) provide appellate review, when requested in writing, of decisions of the Secretary in administering the provisions of Title 24, relating to junkyards salvage yards;

\* \* \*

\* \* \* Green Mountain Transit Authority \* \* \*

Sec. 13. 24 App. V.S.A. chapter 801 is amended to read:

#### CHAPTER 801. GREEN MOUNTAIN TRANSIT AUTHORITY

\* \* \*

##### § 2. AREA OF OPERATION

(a) The area of operation shall be the urbanized area of Chittenden, Franklin, Grand Isle, and Washington Counties and the Towns of Orange, Washington, and Williamstown. The area of operation shall include Addison and Caledonia Counties and the Towns of Orange County other than Orange, Washington, and Williamstown, but only for the provision of commuter services. The area of operation shall include Lamoille County, but only for the provision of published scheduled services County as established by the U.S. Census Bureau. The Green Mountain Transit Authority may operate service outside the urbanized area of Chittenden County with approval from the Agency of Transportation. Nothing in this section shall be construed to prevent other transit providers from offering transit connecting to the urbanized area of Chittenden County, or providing on demand services in that area, with the approval of the Agency of Transportation.

\* \* \*

##### § 10. IMPLEMENTATION

\* \* \*

~~(c) Immediately upon joining the Authority, the municipality shall appoint two commissioners as provided herein. The initial terms of the commissioners of the initial members shall be arranged by the Chittenden County Regional Planning Commission so that the terms of approximately one-third of the commissioners shall expire in each year. The initial terms of commissioners from municipalities joining after March 7, 1973, shall be set by the Board of Commissioners.~~

\* \* \*

\* \* \* Town Highways \* \* \*

Sec. 14. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

(A) the percentage change of the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations ~~for town highways~~ under this subsection (a) and subsections (e) and (h) of this section, for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or

\* \* \*

(e) State aid for town highway structures.

(1) There shall be an annual appropriation for grants to municipalities for maintenance (including actions to extend life expectancy) and for construction of bridges and culverts; for maintenance and construction of other structures, including causeways and retaining walls, intended to preserve the integrity of the traveled portion of class 1, 2, and 3 town highways; and for alternatives that eliminate the need for a bridge, culvert, or other structure, such as the construction or reconstruction of a highway, the purchase of parcels of land that would be landlocked by closure of a bridge, the payment of damages for loss of highway access, and the substitution of other means of access. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

(A) the percentage change in the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations under this subsection (e) and subsections (a) and (h) of this section, for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or

(B) the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U).

(2) For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to

the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

~~(3)~~ Each fiscal year, the Agency shall approve qualifying projects with a total estimated State share cost of \$7,200,000.00 at a minimum as new grants. The Agency's proposed appropriation for the Program shall take into account the estimated amount of qualifying invoices submitted to the Agency with respect to project grants approved in prior years but not yet completed as well as with respect to new project grants to be approved in the fiscal year Beginning with State fiscal year 2027, the minimum total estimated State share cost for the approved grants shall increase over the prior fiscal year's minimum total estimated State share cost by the same percentage as the appropriation for State aid for town highway structures is increased pursuant to subdivision (1) of this subsection.

(4) In a given fiscal year, should expenditures in the Town Highway Structures Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects.

~~(3)~~(5) Funds received as grants for State aid for town highway structures may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

\* \* \*

(h) Class 2 Town Highway Roadway Program.

(1) There shall be an annual appropriation for grants to municipalities for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2 town highways. ~~However, municipalities~~ Municipalities that have no State highways or class 1 town highways within their borders may use the grants for such activities with respect to both class 2 and class 3 town highways. ~~Each fiscal year, the Agency shall approve qualifying projects with a total estimated State share cost of \$8,600,000.00 at a minimum as new grants. The Agency's proposed appropriation for the Program shall take into account the estimated amount of qualifying invoices submitted to the Agency with respect to project grants approved in prior years but not yet completed as well as with respect to new project grants to be approved in the fiscal year. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage~~

change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

(A) the percentage change in the Agency's total appropriations funded by Transportation Fund revenues, excluding appropriations under this subsection (h) and subsections (a) and (e) of this section, for the most recently closed fiscal year as compared to the fiscal year immediately preceding the most recently closed fiscal year; or

(B) the percentage change in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U).

(2) For purposes of subdivision (1)(B) of this subsection, the percentage change in the CPI-U is calculated by determining the increase or decrease, to the nearest one-tenth of a percent, in the CPI-U for the month ending on June 30 in the calendar year one year prior to the first day of the fiscal year for which the appropriation will be made compared to the CPI-U for the month ending on June 30 in the calendar year two years prior to the first day of the fiscal year for which the appropriation will be made.

(3) Each fiscal year, the Agency shall approve qualifying projects with a total estimated State share cost of \$8,600,000.00 at a minimum as new grants. Beginning with State fiscal year 2027, the minimum total estimated State share cost for the approved grants shall increase over the prior fiscal year's minimum total estimated State share cost by the same percentage as the appropriation for the Class 2 Town Highway Roadway Program is increased pursuant to subdivision (1) of this subsection.

(4) In a given fiscal year, should expenditures in the Class 2 Town Highway Roadway Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects. Funds received as grants for State aid under the Class 2 Town Highway Roadway Program may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

\* \* \*

#### Sec. 15. CANCELLATION OF LOCALLY MANAGED PROJECTS; PROCESS; IMPROVEMENTS; REPORT

The Agency of Transportation, in consultation with the Transportation Board, the Vermont League of Cities and Towns, and the Vermont Association of Planning and Development Agencies, shall engage a consultant to examine the requirements of 19 V.S.A. § 309c, cancellation of locally managed

projects, to evaluate the obligations, risks, and benefits imposed by the provisions of that section on the State and the local sponsor of a locally managed project and to identify potential changes to the provisions of that section to ensure that State and federal transportation funding resources are appropriately administered. The Agency shall, on or before January 15, 2026, submit a written report to the House and Senate Committees on Transportation regarding the consultant's findings and any recommendations for legislative action.

Sec. 16. MUNICIPAL TRANSPORTATION ASSETS; ASSESSMENT;  
FUNDING NEEDS; REPORT

(a) The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall engage a consultant to:

(1) review current municipal practices relating to planning for ongoing maintenance, upgrades, and replacement of municipal transportation assets, including roads, pavement, bridges, culverts, signals, signage, highway equipment, and highway facilities;

(2) develop a framework for a system to assess the current condition of municipal highway networks and the potential impacts of improvements to or degradation of those networks on the State's transportation system;

(3) develop a prioritization process to direct State funding to the repair, upgrade, or replacement of specific municipal transportation assets based on the need for such work in the context of the asset's role in the State and regional highway networks; and

(4) identify and recommend potential statutory changes to implement the assessment framework developed pursuant to subdivision (2) of this subsection and the prioritization process developed pursuant to subdivision (3) of this subsection.

(b) The Agency of Transportation shall, not later than January 15, 2027, submit a written report to the House and Senate Committees on Transportation regarding the consultant's findings and recommendations for legislative action.

Sec. 17. STATE TOWN HIGHWAY AID; MUNICIPAL GRANT  
PROGRAMS; EFFICIENCIES; IMPROVEMENTS; REPORT

(a) The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall engage a consultant to evaluate the State's Town Highway Aid and municipal grant programs administered by the Agency to identify potential efficiencies and improvements related to the administration

of Town Highway Aid and municipal grant programs. The consultant shall evaluate the various funding streams authorized pursuant to 19 V.S.A. § 306 as well as programs administered through the Agency's Municipal Assistance Bureau, including the Bicycle and Pedestrian Grant Program, Transportation Alternatives Program, Municipal Mitigation Program, Municipal Park and Ride Program, Better Roads Program, Municipal Highway and Stormwater Mitigation Program, and Grants in Aid.

(b) On or before January 15, 2026, the Agency shall submit a written report to the House and Senate Committees on Transportation regarding the consultant's findings and any recommendations for legislative or administrative actions to improve or increase the efficiency of the Town Highway Aid and municipal grant programs.

\* \* \* Mileage-Based User Fee \* \* \*

Sec. 18. 2023 Acts and Resolves No. 62, Secs. 27–29 are amended to read:

Sec. 27. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

It is the intent of the General Assembly for the State:

(1) to start collecting a mileage-based user fee from all battery-electric vehicles registered in Vermont starting on July 1, 2025, which is expected to be the first day of the first fiscal year when more than 15 percent of new pleasure car registrations in the State are plug-in electric vehicles (PEVs) or before January 1, 2027 subject to sufficient funding being available for implementation;

(2) to ~~start subjecting~~ subject plug-in hybrid electric vehicles (PHEVs) that are a pleasure car to an increased annual or a biennial registration electric vehicle infrastructure fee starting on July ~~January~~ 1, 2025, and that PHEVs shall not be subject to a mileage-based user fee;

(3) to ~~work towards~~ examine collecting a fee on kWhs electricity that are ~~is~~ dispensed through certain electric vehicle supply equipment available to the public so as to supplant lost gas fuel tax revenue from out-of-state PEVs traveling in Vermont; and

(4) to not commence collecting a mileage-based user fee until ~~such~~ the General Assembly has enacted legislation that establishes the amount of the fee and codifies any necessary authorizing language is ~~codified~~ in statute and that legislation becomes effective.

Sec. 28. MILEAGE-BASED USER FEE AUTHORIZATION

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Environmental Policy and Sustainability, the

Agency of Transportation, including the Department of Motor Vehicles, is authorized to apply for and accept a competitive federal Strategic Innovation for Revenue Collection grant established pursuant to the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to \$350,000.00 in Transportation Fund monies authorized for the nonfederal match in fiscal year 2024 and ~~a to-be-determined amount for the nonfederal match in subsequent fiscal years~~ up to \$350,000.00 in Transportation Fund monies authorized for the nonfederal match in fiscal year 2025.

(b) ~~As permitted under federal regulations and grant terms, the~~ The Agency shall utilize grant monies to design State or federal funding, or both, authorized to be used for the purpose of designing a mileage-based user fee that is consistent with Secs. 27 and 29 of this act.

(c) Subject to State procurement requirements and the availability of sufficient funding, the Agency may retain one or more contractors or consultants, or both, to assist with the design of a process to commence collecting a mileage-based user fee on ~~July 1, 2025~~ January 1, 2027.

#### Sec. 29. MILEAGE-BASED USER FEE DESIGN

(a) Definitions. As used in Secs. 27–30 of this act:

(1) “Account manager” means a person under contract with the Agency of Transportation or Department of Motor Vehicles to administer and manage the mileage-based user fee.

(2) “Annual vehicle miles traveled” means the total number of miles that a BEV is driven between annual inspections as reported ~~by an inspection mechanic~~ to the Department of Motor Vehicles.

(3) “Mileage-based user fee” means the total amount that an owner or lessee of a BEV registered in Vermont owes the State and is calculated by:

(A) multiplying the mileage-based user fee rate by the annual vehicle miles traveled ~~or~~;

(B) in the case of a terminating event, by multiplying the mileage-based user fee rate by the vehicle miles traveled between the last Vermont annual inspection and the terminating event; ~~or~~

(C) in the absence of a recorded odometer reading during the mileage reporting period, by multiplying the mileage-based user fee by the 98th percentile of estimated annual vehicle miles traveled for a pleasure car in Vermont.

(4) “Mileage-based user fee rate” means the per-mile usage fee charged to the owner or lessee of a BEV registered in Vermont.

(5) “Mileage reporting period” means the time between annual inspections or the time between ~~an~~ the most recent annual inspection and a terminating event.

(6) “Pleasure car” has the same meaning as in 23 V.S.A. § 4(28).

(7) “Plug-in electric vehicle (PEV)” has the same meaning as in 23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs), which have the same meaning as in 23 V.S.A. § 4(85)(A) and (B).

(8) “Terminating event” means either the registering of a BEV that had been registered in Vermont in a different state or a change in ownership or lesseeship of the BEV, or both.

(b) Commencement date. The Agency shall design a process to collect a mileage-based user fee for miles driven by a BEV registered in Vermont to commence collecting revenue on ~~July 1, 2025~~ January 1, 2027.

(c) Covered vehicles. The Agency shall design a process to collect a mileage-based user fee based on the annual vehicle miles traveled by BEVs registered in the State.

(d) Imposition of a mileage-based user fee. The Agency shall design a process to collect a mileage-based user fee from the owner or lessee of a BEV registered in Vermont for each mileage reporting period ~~within 60 days after the Vermont annual inspection~~ on an annual, quarterly, or monthly basis selected by the owner or lessee and reconciled upon renewal of the vehicle registration or within 60 days after a terminating event that closes the mileage reporting period.

#### Sec. 19. INTENT

It is the intent of the General Assembly that:

(1) the mileage-based user fee for a BEV pleasure car be approximately equivalent to the average amount collected by the State in fuel tax revenue from the use of a non-PEV pleasure car registered in Vermont and the average amount collected by the State in fuel tax revenue and Electric Vehicle Infrastructure fee from the use of a PHEV pleasure car; and

(2) that the mileage-based user fee for BEV pleasure cars will be an interim step towards gradually expanding the mileage-based user fee to all motor vehicles.

#### Sec. 20. MILEAGE-BASED USER FEE; FUNDING; DESIGN; UPDATES



The Agency of Transportation shall report to the Joint Transportation Oversight Committee on or before September 30, 2025 and December 15, 2025 regarding the status of federal grants and other funding for the design of the mileage-based user fee pursuant to the provisions of 2023 Acts and Resolves No. 62, Secs. 27–29, as amended by Sec. 12 of this act, and the Agency’s progress in designing the mileage-based user fee.

\* \* \* Authority to Transfer Monies in State Fiscal Year 2026 \* \* \*

Sec. 21. AUTHORIZATION TO USE MONIES TO CONTINUE  
PARTNERSHIP WITH DRIVE ELECTRIC VERMONT IN STATE  
FISCAL YEAR 2026

In State fiscal year 2026, the Secretary of Transportation is authorized to spend up to \$325,000.00 in remaining monies appropriated to the Electrify Your Fleet Program in State Fiscal Year 2024 to continue the Agency of Transportation’s partnership with Drive Electric Vermont. The monies shall be used for programs and activities that support increased ownership and use of PEVs in the State through:

- (1) stakeholder coordination;
- (2) consumer education and outreach;
- (3) infrastructure development; and

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

\* \* \* Consideration of Vehicle Miles Traveled in Project Planning \* \* \*

Sec. 22. 19 V.S.A. § 1 is amended to read:

§ 1. DEFINITIONS

As used in this title:

\* \* \*

(26) “Vehicle miles traveled” means the estimated sum of the miles traveled by all motor vehicle trips within a specific area during a calendar year.

Sec. 23. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

(a) The Agency shall be the responsible agency of the State for the development of transportation policy. It shall develop a mission statement to reflect:

(1) that State transportation policy shall be to encompass, coordinate, and integrate all modes of transportation and to consider complete streets, as defined in section 2401 of this title, principles; and

(2) the need for transportation projects that will improve the State's economic infrastructure; ~~as well as the use of resources in efficient, coordinated, integrated, cost-effective, and environmentally sound ways;~~ reduce vehicle miles traveled within the State when feasible; and that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b.

\* \* \*

Sec. 24. 19 V.S.A. § 10c is amended to read:

§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

\* \* \*

(c) In choosing between the improvement of an existing highway and complete reconstruction, the Agency shall weigh the following factors:

\* \* \*

(9) the impact on the historic, scenic, and aesthetic values of the municipality, as interpreted by the municipality, in which the highway is located; ~~and~~

(10) if it is a forest highway under federal jurisdiction; and

(11) opportunities to reduce vehicle miles traveled or otherwise reduce greenhouse gas emissions related to the highway.

\* \* \*

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

§ 10i. TRANSPORTATION PLANNING PROCESS

\* \* \*

(c) Transportation Program. The Transportation Program shall be developed in a fiscally responsible manner to accomplish the following objectives:

\* \* \*

(3) strengthening the economy, protecting the quality of the natural environment, and improving Vermonters' quality of life; ~~and~~

(4) achieving the recommendations of the CEP; and

(5) striving to reduce vehicle miles traveled and greenhouse gas emissions.

\* \* \*

\* \* \* Medical Transports \* \* \*

Sec. 26. PUBLIC TRANSIT DEMAND RESPONSE VOLUNTEER COORDINATORS; GRANTS; APPROPRIATION

(a) The sum of \$600,000.00 is appropriated from the General Fund to the Agency of Transportation in fiscal year 2026 for the purpose of providing grants to the public transit agencies to hire volunteer coordinators. Volunteer coordinators hired with grants provided pursuant to this section shall be responsible for the identification, recruitment, and retention of volunteers to provide transportation services to individuals enrolled in the State's demand response transportation programs.

(b) The Agency shall, to the extent possible, seek to provide grants to public transit providers in a manner that is geographically balanced and ensures the distribution of volunteer coordinators throughout the State.

(c) Not later than December 15, 2026, the Agency, in consultation with public transit agencies that receive grants pursuant to this section, shall submit a written report the House and Senate Committees on Transportation regarding the extent to which grants issued pursuant to this section resulted in an increase in volunteer capacity in the State.

Sec. 27. MEDICAID NON-EMERGENCY TRANSPORTATION

(a) In fiscal year 2026, prior to executing a contract to provide Medicaid Non-Emergency Transportation services, the Department of Vermont Health Access shall provide to the Joint Fiscal Committee for review and approval a detailed analysis demonstrating that by executing such a contract:

(1) no State policy, including the coordinated delivery of transportation services in the Older Adults and Persons with Disabilities program and the Medicaid Non-Emergency Transportation program, will be compromised;

(2) there will be no degradation of service to eligible individuals; and

(3) the financial stability of the State's public transportation systems will be maintained.

(b) The analysis shall also include the impact of the Agency of Transportation's investments in vehicles, technology, and other capital investments on the coordinated service delivery model.

Sec. 28. VOLUNTEERS PROVIDING TRANSPORTATION SERVICES;  
BACKGROUND CHECKS; EXPANSION OF VOLUNTEER  
POOL; REPORT

(a) On or before July 15, 2025, the Department of Vermont Health Access shall commence meeting with the Vermont Public Transit Association, the Agency of Transportation, and, in the discretion of the Commissioner of Vermont Health Access, other stakeholders to identify potential, federally permissible opportunities to expand the Medicaid Non-Emergency Transportation program's pool of volunteer drivers. As part of this work, the Department and Association shall collaborate to determine if there are specific classes of offenses that currently prevent volunteer drivers from providing transportation services through the Medicaid Non-Emergency Transportation program.

(1) The Vermont Public Transit Association shall, to the extent possible, gather and provide to the Department anonymized information from its members regarding:

(A) the number of potential volunteers who were barred from providing transportation services through the Medicaid Non-Emergency Transportation program due to a background check during the past year;

(B) which of the background checks currently required by the Medicaid Non-Emergency Transportation program resulted in potential volunteers being barred from providing transportation services, broken out by percentage; and

(C) a summary of the offenses that resulted in potential volunteers being barred from providing transportation services through the Medicaid Non-Emergency Transportation program, broken out by:

(i) the type of offense;

(ii) whether the offense was a felony or misdemeanor;

(iii) whether the offense was under State or federal law;

(iv) the percentage of potential volunteers who were barred from providing transportation services through the Medicaid Non-Emergency Transportation program for each type of offense; and

(v) to the extent that it is possible to determine, the number of rides that could have been provided by the individuals barred under each type of offense.

(2) The Department shall utilize the information provided by the Association pursuant to subdivision (1) of this subsection to determine, to the extent possible, whether the identified offenses are:

(A) fraud-based or otherwise implicate potential Medicaid fraud, waste, and abuse;

(B) an offense that otherwise bars an individual from providing transportation services through the Medicaid Non-Emergency Transportation program; or

(C) an offense that caused harm to an individual other than the offender, or otherwise negatively impacted the safety of the general public.

(b) The Department of Vermont Health Access and the Vermont Public Transit Association shall, on or before January 30, 2026, make themselves available to provide an update to the House Committees on Transportation and on Health Care and to the Senate Committees on Transportation and on Health and Welfare regarding the work performed pursuant to this section and opportunities that were identified to expand the Medicaid Non-Emergency Transportation program's pool of volunteer drivers.

#### Sec. 29. VOLUNTEER DRIVERS; PUBLICITY; OUTREACH

(a) The Commissioner of Motor Vehicles, in consultation with the Vermont Public Transit Association, shall identify and pursue opportunities to communicate with the Vermont driving public regarding volunteer and community driver participation in the State's demand response transportation programs, including the Older Adults and Persons with Disabilities program and the Medicaid Non-Emergency Transportation program. Outreach conducted pursuant to this section may include:

(1) invitations for individuals to voluntarily indicate their interest through the operator licensing and vehicle registration processes, subject to any data privacy requirements under State or federal law;

(2) notices or other public outreach placed on the Department's website or other internet-based platforms; and

(3) messaging by the Agency of Transportation on social media platforms, including providing links to informational resources provided by the Vermont Public Transit Association.

(b) The Department of Vermont Health Access, in consultation with the Agency of Transportation and the Vermont Public Transit Association, shall identify and pursue opportunities to increase awareness of available transportation services provided by volunteer and community driver programs

among both individuals who are potentially eligible to volunteer as drivers and individuals who could potentially utilize the transportation services.

Sec. 30. COORDINATION OF HEALTH CARE AND TRANSPORTATION SERVICES; WORKING GROUP; REPORT

(a) The Secretary of Transportation, in consultation with the Commissioner of Vermont Health Access, shall convene a working group to improve the coordination of health care and transportation services in relation to individuals enrolled in the State's demand response transportation programs. The working group shall be composed of stakeholders identified by the Secretary in consultation with the Commissioner of Vermont Health Access, including representatives of the Vermont Association of Hospitals and Health Systems, independent dialysis and methadone facilities, and the Vermont Public Transportation Association.

(b) The working group shall examine various options for improving the coordination of health care and transportation services, including:

(1) opportunities to coordinate the scheduling of health care appointments and treatments to maximize the use of shared rides; and

(2) opportunities to improve communication between the public transit agencies and health care providers to facilitate coordination of health care and transportation services for individuals enrolled in the State's demand response transportation programs.

(c) On or before January 15, 2026, the Secretary and Commissioner shall submit a written report to the House Committees on Transportation and on Health Care and the Senate Committees on Transportation and on Health and Welfare with the working group's findings and any recommendations for legislative action.

\* \* \* Vehicle Identification Numbers for Certain Vehicles \* \* \*

Sec. 31. ULTRA-LOW VOLUME VEHICLE MANUFACTURING; KIT-CARS; HOMEBUILT MOTOR VEHICLES; VEHICLE IDENTIFICATION NUMBER; REPORT

(a)(1) The Commissioner of Motor Vehicles, in consultation with the Secretary of Natural Resources and representatives of the ultra-low volume vehicle manufacturing industry in Vermont, shall examine processes for issuing vehicle identification numbers to ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles and opportunities to facilitate the registration of such vehicles.

(2) As used in this section:

(A) “Homebuilt motor vehicle” means a motor vehicle that is constructed or assembled by an individual from new or used parts, or both, and is not a kit-car.

(B) “Kit-car” means a motor vehicle that is constructed by an individual from a manufactured kit that includes some or all parts and components necessary to construct the motor vehicle.

(C) “Ultra-low volume motor vehicle” means a vehicle that is manufactured for sale by a manufacturer whose annual worldwide production is not more than 325 motor vehicles.

(b) In preparing the report, the Commissioner shall:

(1) examine the potential to waive some or all Vermont motor vehicle emissions requirements for ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles;

(2) identify a cost-effective process for certifying the safety of ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles; and

(3) develop a streamlined process to provide State Vehicle Identification Numbers to ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles.

(c) On or before January 15, 2026, the Commissioner shall submit a written report to the House and Senate Committees on Transportation regarding the Commissioner’s findings and identifying any legislative action necessary to enable the issuance of vehicle identification numbers to and registration of ultra-low volume motor vehicles, kit-cars, and homebuilt motor vehicles.

\* \* \* Railroad Lease Extensions \* \* \*

Sec. 32. 5 V.S.A. § 3405 is amended to read:

§ 3405. LEASE FOR CONTINUED OPERATION

(a) The Secretary, as agent for the State, with the approval of the General Assembly, or if the General Assembly is not in session, approval of the Joint Transportation Oversight Committee, is authorized to lease or otherwise arrange for the continued operation of all or any State-owned railroad property to any responsible person, provided that approval for the operation, if necessary, is granted by the federal Surface Transportation Board under 49 C.F.R. Part 1150 (certificate to construct, acquire, or operate railroad lines). The transaction shall be subject to any further terms and conditions as in the opinion of the Secretary are necessary and appropriate to accomplish the purpose of this chapter.

(b) To preserve continuity of service on State-owned railroads, the Secretary may enter into a short-term lease or operating agreement, for a term not to exceed six months, with a responsible railroad operator. The Secretary shall notify the House and Senate Committees on Transportation within 10 calendar days after entering into any lease or agreement pursuant to this subsection.

(c) The Secretary shall notify the House and Senate Committees on Transportation or, if the General Assembly is not in session, the Joint Transportation Oversight Committee when there are 12 months remaining on the operating lease for any State-owned railroad, and when there are 12 months remaining on a lease extension for the operating lease for any State-owned railroad.

\* \* \* Dig Safe \* \* \*

Sec. 33. 30 V.S.A. § 7006 is amended to read:

§ 7006. MARKING OF UNDERGROUND UTILITY FACILITIES

A company notified in accordance with section 7005 of this title shall, within 48 72 hours, exclusive of Saturdays, Sundays, and legal holidays, ~~of~~ after the receipt of the notice, mark the approximate location of its underground utility facilities in the area of the proposed excavation activities; provided, however, if the company advises the person that the proposed excavation area is of such length or size that the company cannot reasonably mark all of the underground utility facilities within 48 72 hours, the person shall notify the company of the specific locations in which the excavation activities will first occur and the company shall mark facilities in those locations within 48 72 hours and the remaining facilities within a reasonable time thereafter. A company and an excavator may by agreement fix a later time for the company's marking of the facilities, provided the marking is made prior to excavation activities. For the purposes of this chapter, the approximate location of underground facilities shall be marked with stakes, paint, or other physical means as designated by the Commission.

Sec. 34. 30 V.S.A. § 7006a is amended to read:

§ 7006a. MAINTENANCE OF UNDERGROUND UTILITY FACILITY  
MARKINGS

After a company has marked its underground facilities in accordance with section 7006 of this title, the excavator shall be responsible for maintenance of the designated markings. In the event said markings are obliterated, destroyed, or removed, the person engaged in excavation activities shall notify the System referred to in section 7002 of this title that remarking is needed. The System



shall then notify all member companies whose facilities may be affected. ~~The~~ Each applicable company shall within 48 72 hours, exclusive of Saturdays, Sundays, and legal holidays, following receipt of the notice, remark the location of its underground utility facilities.

\* \* \* Legal Trails \* \* \*

Sec. 35. 19 V.S.A. chapter 3 is amended to read:

### CHAPTER 3. TOWN HIGHWAYS

#### § 301. DEFINITIONS

As used in this chapter:

\* \* \*

(2) ~~“Legislative body” includes boards of selectmen, aldermen, and village trustees~~ means a “legislative body” as defined in 24 V.S.A. § 2001.

(3) ~~“Selectmen” includes village trustees and aldermen~~ “Selectboard” means a “selectboard” as defined in 24 V.S.A. § 2001.

\* \* \*

(8) “Trail” means a public right-of-way that is not a highway and that:

(A) municipalities have the authority to exclusively or cooperatively maintain;

(B) ~~previously was a designated town highway having the same width as the designated town highway, or a lesser width if so designated; or~~

~~(B)(C)~~ a new public right-of-way laid out as a trail by the ~~selectmen~~ legislative body for the purpose of providing access to abutting properties or for recreational use. Nothing in this section shall be deemed to independently authorize the condemnation of land for recreational purposes or to affect the authority of ~~selectmen~~ legislative bodies to reasonably regulate the uses of recreational trails.

#### § 302. CLASSIFICATION OF TOWN HIGHWAYS

(a) For the purposes of this section and receiving State aid, all town highways shall be categorized into one or another of the following classes:

\* \* \*

(2) Class 2 town highways are those town highways selected as the most important highways in each town. As far as practicable, they shall be selected with the purposes of securing trunk lines of improved highways from town to town and to places that by their nature have more than normal amount of

traffic. The ~~selectmen~~ legislative body, with the approval of the Agency, shall determine which highways are to be class 2 highways.

(3) Class 3 town highways:

(A) Class 3 town highways are all traveled town highways other than class 1 or 2 highways. The ~~selectmen~~ legislative body, after conference with a representative of the Agency, shall determine which highways are class 3 town highways.

\* \* \*

(5) Trails shall not be considered highways ~~and the town.~~ A municipality shall have the authority to maintain trails but shall not be responsible for any maintenance, including culverts and bridges.

\* \* \*

### § 303. TOWN HIGHWAY CONTROL

Town highways shall be under the general supervision and control of the ~~selectmen~~ legislative body of the town where the roads are located. ~~Selectmen~~ The legislative body of a town shall supervise all expenditures.

### § 304. DUTIES OF SELECTBOARD

(a) It shall be the duty and responsibility of the selectboard of the town to, or acting as a board, it shall have the authority to:

\* \* \*

(16) Unless the town electorate votes otherwise, under the provisions of 17 V.S.A. § 2646, appoint a road commissioner, or remove ~~him or her~~ the road commissioner from office, pursuant to 17 V.S.A. § 2651. Road commissioners, elected or appointed, shall have only the powers and authority regarding highways granted to them by the selectboard.

\* \* \*

(24) Maintain trails, but shall not be required to maintain trails.

\* \* \*

\* \* \* Effective Dates \* \* \*

### Sec. 36. EFFECTIVE DATES

(a) This section and Secs. 32 (railroad leases) and 33 and 34 (dig safe) shall take effect on passage.

(b) Sec. 5 (Agency of Transportation dashboard) shall take effect on January 1, 2026.

(c) Sec. 6 (repeal of 19 V.S.A. § 10g reports) shall take effect on July 1, 2026.

(d) The remaining sections shall take effect on July 1, 2025.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 26, 2025, pages 742-744)

## **House Proposal of Amendment**

### **S. 18.**

An act relating to licensure of freestanding birth centers.

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

Sec. 1. 18 V.S.A. chapter 53 is added to read:

#### CHAPTER 53. BIRTH CENTER LICENSING

##### § 2351. DEFINITIONS

As used in this chapter:

(1) “Birth center” means a facility the primary purposes of which are to provide midwifery care, low-risk deliveries, and newborn care immediately after delivery, for a stay of generally less than 24 hours. The term does not include a facility that is a hospital, is part of a hospital, or is owned by a hospital; a facility that is an ambulatory surgical center; or the residence of the individual giving birth. A birth center may be located on the grounds of a hospital.

(2) “Certified nurse midwife” means an advanced practice registered nurse licensed in accordance with 26 V.S.A. chapter 28, subchapter 2 who has specialized training in childbirth, newborn care, and reproductive health care services.

(3) “Change of ownership” means a change in the majority or controlling interest in an established birth center to another person.

(4) “Corrective action plan” means a written strategy for correcting an issue of partial compliance, deficiency, or violation of this chapter or rules adopted pursuant to this chapter.

(5) “Licensed maternity care provider” means a licensed provider whose professional scope of practice, as established under Vermont law, includes preconception, prenatal, labor, birth, and postpartum care and early care of a newborn and who may be the primary attendant during the perinatal period.

(6) “Licensed midwife” means a professional licensed in accordance with 26 V.S.A. chapter 85.

(7) “Licensed provider” means an individual licensed or certified in Vermont to provide specific health care-related services within a scope of practice defined by licensing statutes and rules, and may include advanced practice registered nurses, including certified nurse midwives; licensed midwives; physician assistants; naturopathic physicians with a childbirth endorsement in accordance with 26 V.S.A. §§ 4122(b) and 4125(b); and physicians.

#### § 2352. LICENSE; PROHIBITIONS

(a) No person shall establish, maintain, or operate a birth center in this State without first obtaining a license for the birth center in accordance with this chapter.

(b) A birth center may be independently owned and operated by a licensed maternity care provider or any other person who complies with the requirements of this chapter.

(c) A birth center shall not offer or provide epidural anesthesia or a cesarean delivery.

(d) No person shall represent itself as a “birth center” or use the term “birth center” in its title or in its advertising, publications, or other form of communication unless the person has been licensed as a birth center in accordance with the provisions of this chapter.

(e) A license is not transferable or assignable and shall be issued only for the premises and persons named in the application.

#### § 2353. APPLICATION; FEE

(a) An application for licensure of a birth center shall be made to the Department of Health in the manner specified by the Department and shall include all information required by the Department.

(b)(1) Each application for an initial license, renewal of a license, or a change of ownership shall be accompanied by a fee of \$250.00.

(2) Fees collected under this section shall be credited to the Hospital Licensing Fees Special Fund and shall be available to the Department of Health to offset the costs of licensing birth centers.

#### § 2354. LICENSE REQUIREMENTS

Upon receipt of an application for a license and the licensing fee, the Department of Health shall issue a license if it determines, after an inspection

conducted by the Department or its designee, that the applicant is able to operate a birth center in accordance with rules adopted by the Department.

#### § 2355. REVOCATION OF LICENSE; HEARING

The Department of Health, after notice and opportunity for hearing to the applicant or licensee, is authorized to condition, deny, suspend, or revoke a license in any case in which it finds that there has been a substantial failure to comply with the requirements established under this chapter. Such notice shall be served by registered mail or by personal service, shall set forth the reasons for the proposed action, and shall set a date not less than 60 days from the date of the mailing or service on which the applicant or licensee shall be given opportunity for a hearing. After the hearing, or upon default of the applicant or licensee, the Department shall file its findings of fact and conclusions of law. A copy of the findings and decision shall be sent by registered mail or served personally upon the applicant or licensee. The procedure governing hearings authorized by this section shall be set forth in the rules adopted pursuant to section 2359 of this chapter and shall not be subject to the contested case provisions of 3 V.S.A. chapter 25, subchapter 2.

#### § 2356. APPEAL

Any applicant or licensee, or the State acting through the Attorney General, aggrieved by the decision of the Department of Health after a hearing may appeal the decision in accordance with section 128 of this title. Pursuant to section 129 of this title, an appeal pursuant to this section shall not stay the effectiveness of an order entered in accordance with section 2355 of this chapter, but any party is permitted to seek a stay order in the Superior Court in which the appeal is being heard.

#### § 2357. INSPECTIONS

(a) The Department of Health or its designee shall make or cause to be made such inspections and investigations as the Department or its designee deems necessary.

(b) A birth center, including its building and grounds and, in accordance with applicable law, its records, shall be subject to inspection by the Department and its designee at all times.

(c) If a birth center is found to be out of compliance with any requirement of this chapter or rules adopted pursuant to this chapter, the Department may condition, deny, suspend, revoke, or refuse to renew the birth center's license or may ask the birth center to develop and implement a corrective action plan.

(d) If the Department finds a violation as the result of an inspection or investigation, the Department shall post a report on the Department's website summarizing the violation and any corrective action required.

#### § 2358. RECORDS

(a) Information received by the Department of Health through filed reports, inspections, or as otherwise authorized by law shall:

(1) not be disclosed publicly in a manner that identifies or may lead to the identification of one or more individuals or birth centers;

(2) be exempt from public inspection and copying under the Public Records Act; and

(3) be kept confidential except as it relates to a proceeding regarding licensure of a birth center.

(b) The provisions of subsection (a) of this section shall not apply to the summary reports of violations required to be posted on the Department's website pursuant to section 2357 of this chapter.

#### § 2359. RULES

The Department of Health shall adopt rules in accordance with 3 V.S.A. chapter 25 as needed to carry out the purposes of this chapter. The rules shall be based on the national birth center standards published by the American Association of Birth Centers and shall, at a minimum, include provisions regarding:

(1) requirements for operating a birth center, including requirements for safety, sanitation, and health;

(2) obtaining, storing, and dispensing pharmaceuticals consistent with State and federal laws;

(3) requirements for notice to the Department of Health when there is a change in ownership of a birth center and any additional licensing requirements related to a change in ownership;

(4) the scope of services that may be provided at a birth center, including risk factors that preclude a patient from receiving labor and delivery services at a birth center;

(5) appropriate staffing for a birth center, including the types of licensed providers who may practice at a birth center;

(6) birth center complaint processes;

(7) birth center facility, equipment, and supply requirements, including requirements for the maintenance of safety, sanitation, and health;

(8) record retention and confidentiality;

(9) quality assurance and improvement;

(10) processes for the development, submission, approval, and implementation of corrective action plans;

(11) a requirement for written practice guidelines and policies that include procedures for transferring a patient to a hospital if circumstances warrant; and

(12)(A) requirements for written policies and procedures for collaboration with hospitals, other agencies and facilities, and individuals to provide services to patients as appropriate, including:

(i) laboratory and diagnostic services;

(ii) childbirth education and parenting education support services;

(iii) obstetric consultation services;

(iv) pediatric consultation services;

(v) transport services;

(vi) obstetric and newborn acute care in licensed hospitals; and

(vii) home health care services;

(B) a requirement that the policies and procedures established pursuant to subdivision (A) of this subdivision (12) are provided to the relevant service providers upon request; and

(C) a requirement that the birth center provide the health record of the patient or the newborn, or both, to the receiving service provider upon referral or transfer, in accordance with applicable privacy laws.

#### § 2360. NO EFFECT ON SCOPE OF SERVICES

(a) Nothing in this chapter or in rules adopted pursuant to this chapter shall be construed to expand or limit the scope of the services that a licensed midwife, certified nurse midwife, or other provider may offer at a birth center or perform in a space that is shared with or adjacent to a birth center.

(b) A birth center may serve as a location for additional services offered in shared or adjacent spaces, including outpatient gynecologic care, primary care, and education and support services, provided that any licensed provider

providing services in those spaces shall only provide those services that are within the licensed provider's authorized scope of practice.

Sec. 2. 8 V.S.A. § 4099d is amended to read:

§ 4099d. MIDWIFERY COVERAGE; ~~HOME BIRTHS~~

(a) A health insurance plan or health benefit plan providing maternity benefits shall also provide coverage for services rendered by a midwife licensed pursuant to 26 V.S.A. chapter 85 or an advanced practice registered nurse licensed pursuant to 26 V.S.A. chapter 28 who is certified as a nurse midwife for services within the licensed midwife's or certified nurse midwife's scope of practice and provided in a hospital, birth center, or other health care facility or at home.

\* \* \*

Sec. 3. 18 V.S.A. § 9435 is amended to read:

§ 9435. EXCLUSIONS

\* \* \*

(i) Excluded from this subchapter are birth centers that are licensed pursuant to chapter 53 of this title or are proposed to be established and licensed pursuant to chapter 53 of this title.

Sec. 4. AGENCY OF HUMAN SERVICES; MEDICAID; REQUEST FOR FEDERAL APPROVAL

The Agency of Human Services shall seek approval from the Centers for Medicare and Medicaid Services to allow Vermont Medicaid to cover prenatal, maternity, postpartum, and newborn services provided at a licensed birth center and to allow Vermont Medicaid to reimburse separately for birth center services, including birth center facility fees, and for professional services.

Sec. 5. EFFECTIVE DATES

(a) Sec. 1 (birth center licensing) shall take effect on January 1, 2027 or the effective date of the birth center rules adopted by the Department of Health, whichever comes first.

(b) Sec. 2 (8 V.S.A. § 4099d) shall take effect on January 1, 2027.

(c) Sec. 3 (18 V.S.A. § 9435a) shall take effect on July 1, 2025.

(d) Sec. 4 (Agency of Human Services; Medicaid; request for federal approval) shall take effect on passage, and the Medicaid coverage shall begin on the later of the date of approval or the effective date of the birth center rules adopted by the Department of Health.



(e) This section shall take effect on passage.

### 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.

Wanda Minoli of Montpelier - Commissioner of Building and General Services for a term from and including October 24, 2024 to and including February 28, 2025 - By Senator Harrison for the Committee on Institutions (April 2, 2025)

Wanda Minoli of Montpelier - Commissioner of Building and General Services for a term from and including March 1, 2025 to and including February 28, 2027 - By Senator Harrison for the Committee on Institutions (April 2, 2025)

Caleb Greenwood of Troy - Student Member of the State Board of Education - By Senator Williams for the Committee on Education (April 22, 2025)

### PUBLIC HEARING

The Vermont Senate Committee on Government Operations and the Vermont House Committee on Government Operations and Military Affairs will hold a public hearing on **Veteran's Affairs on Wednesday, April 30, 2025 from 4:00 P.M. to 5:30 P.M. in Room 11 at the State House.**

### 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]*

**JFO #3247:** \$2,875,419.00 to the Agency of Human Services, Department for Children and Families to support families affected by the July 2024 flood event. The request includes three (3) limited-service positions. Two (2) Emergency Management Specialists to the AHS central office and one (1)

Grants and Contract Manager to the Department of Children and Families  
Positions funded through June 30, 2027.

*[Received April 10, 2025, expedited review requested April 10, 2025]*

**JFO #3248:** \$35,603.00 to the Vermont Department of Libraries from the Vermont Community Foundation and the dissolution of the VT Public Library Foundation. The grant will provide modest grants to VT libraries with a preference for smaller libraries and for programs and projects that support children and diversity.

*[Received April 10, 2025]*

**JFO #3249:** \$22,117.00 to the Agency of Human Services, Department of Corrections to ensure compliance with the Prison Rape Elimination Act (PREA).

*[Received April 10, 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).**