# Senate Calendar

WEDNESDAY, APRIL 30, 2025

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# **Second Reading**

# Favorable

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### ORDERS OF THE DAY

#### **ACTION CALENDAR**

# **UNFINISHED BUSINESS OF FRIDAY, APRIL 25, 2025**

# **Senate Resolution for Second Reading**

#### **Favorable**

# S.R. 12.

Senate resolution reaffirming the friendship between the State of Vermont and Taiwan and supporting enhanced Vermont-Taiwan bilateral relations and Taiwan's participation in international organizations.

Reported favorably by Senator Weeks for the Committee on Economic Development, Housing and General Affairs.

(Committee vote: 5-0-0)

#### **NEW BUSINESS**

# **Third Reading**

H. 488.

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

# S.R. 13.

Senate resolution strongly objecting to the manner and circumstances under which U.S. immigration authorities arrested and detained Mohsen Mahdawi and strongly advocating that he be afforded due process under the law and released immediately from detention.

# **Second Reading**

# **Favorable with Proposal of Amendment**

H. 493.

An act relating to making appropriations for the support of the government.

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

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: (For text of Report of Committee on Appropriations, see Addendum to Senate Calendar for April 24, 2025)

(Committee vote: 7-0-0)

(For House amendments, see House Journal of March 27, 2025, pages 768-770, and March 28, page 790)

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

The Committee recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Appropriations.

(Committee vote: 5-2-0)

# Amendments to proposal of amendment of the Committee on Appropriations to H. 493 to be offered by Senators Perchlik, Baruth, Brennan, Lyons, Norris, Watson and Westman

Senators Perchlik, Baruth, Brennan, Lyons, Norris, Watson and Westman move to amend the proposal of amendment of the Committee on Appropriations as follows:

<u>First</u>: By striking out Sec. B. 203, defender general - assigned counsel, in its entirety and inserting in lieu thereof a new Sec. B. 203 to read as follows:

# Sec. B.203 Defender general - assigned counsel

Personal services	7,887,975
Operating expenses	64,500
Total	7,952,475
Source of funds	
General fund	7,952,475
Total	7,952,475

<u>Second</u>: By striking out Sec. B.208, public safety - administration, in its entirety and inserting in lieu thereof a new Sec. B.2028 to read as follows:

# Sec. B.208 Public safety - administration

Personal services	6,289,651
Operating expenses	6,380,415
Grants	<u>278,285</u>
Total	12,948,351
Source of funds	
General fund	7,630,863
Special funds	4,105
Federal funds	1,089,155

<u>Third</u>: In Sec. B.1100, fiscal year 2026 one-time appropriations, by striking out subdivision (n) in its entirety and inserting in lieu thereof a new subdivision (n) to read as follows:

- (n) Department of Housing and Community Development. In fiscal year 2026, funds are appropriated for the following:
- (1) \$9,100,000 General Fund for the Vermont Bond Bank Vermont Infrastructure Sustainability Fund;
- (2) \$14,500,000 General Fund for the Vermont Housing Finance Agency Rental Revolving Loan Fund, the Middle-Income Homeownership Development Program, and the First Generation Homebuyer Program. No less than \$1,000,000 of these funds shall be for the First Generation Homebuyer Program;
- (3) \$4,300,000 General Fund for the Vermont Housing Improvement Program 2.0 and for staff to support the Program; and
- (4) \$15,000 General Fund for the Residential Universal Design Study Committee.

<u>Fourth</u>: In Sec. B.1103(a)(3)(A), one-time capital appropriations, by striking out "\$1,000,000" and inserting in lieu thereof "\$1,100,000"

<u>Fifth</u>: In Sec. C.102, fiscal year 2025 fund transfers, in subdivision (b)(2)(B), by striking "\$8,037,352" and inserting in lieu thereof "\$8,242,871"

Sixth: In Sec. C.102, fiscal year 2025 fund transfers, in subdivision (b)(3), by striking "\$65,060,450.50" and inserting in lieu thereof "\$65,260,450.50".

<u>Seventh</u>: In Sec. D.101, fund transfers, following subdivision (a)(1)(H) by inserting a new subdivision (a)(1)(I) to read as follows:

(I) Farm Security Special Fund: \$1,000,000.

<u>Eighth</u>: In Sec. D.102, reversions, by striking out "\$5,000,000.00" and inserting in lieu thereof "\$6,000,000.00"

<u>Ninth</u>: By striking Sec. E.100, positions, out in its entirety and inserting in lieu thereof a new Sec. E.100 to read as follows:

Sec. E.100 POSITIONS

- (a) The establishment of 12 permanent positions is authorized in fiscal year 2026 for the following:
  - (1) Permanent classified positions:
    - (A) Office of the Attorney General:

- (i) one Pre-charge Administrator.
- (B) Office of the Secretary of State:
  - (i) one Administrative Services Coordinator IV.
- (C) Green Mountain Care Board:
  - (i) one Reference-based Pricing Director;
  - (ii) one Reference-based Pricing Project Manager; and
- (iii) one Operations, Procurement, and Contractual Oversight Manager.
  - (D) Department of Fish and Wildlife:
    - (i) one Fish and Wildlife Specialist.
  - (2) Permanent exempt positions:
    - (A) State Labor Relations Board:
      - (i) one Staff Attorney; and
      - (ii) one Labor Relations IT Staff.
    - (B) Office of the Attorney General:
      - (i) one Assistant Attorney General.
    - (C) Department of State's Attorneys and Sheriffs:
      - (i) one Financial and IT Specialist; and
      - (ii) two Transport Deputies.
- (b) The establishment of four permanent positions to be established through existing vacant positions is authorized in fiscal year 2026 for the following:
  - (1) Permanent classified positions:
    - (A) Criminal Justice Council:
      - (i) one Canine Head Trainer.
    - (B) Cannabis Control Board:
      - (i) one Compliance and Enforcement Attorney.
  - (2) Permanent exempt positions:
    - (A) Human Rights Commission:
      - (i) one Intake Specialist; and

- (ii) one Staff Attorney Investigator.
- (c) The establishment of one limited service position is authorized in fiscal year 2026:
  - (1) Office of the State Treasurer:
    - (A) one Climate Superfund Specialist.
- (d) The conversion of 11 limited service positions to permanent exempt status is authorized in fiscal year 2026 as follows:
  - (1) Land Use Review Board:
    - (A) two District Coordinators.
  - (2) Department of State's Attorneys and Sheriffs:
    - (A) six Deputy State's Attorneys;
    - (B) two Legal Assistants; and
    - (C) one Victim Advocate.

<u>Tenth</u>: In Sec. E.127.3, calculation of federal funding appropriation reduction, in subdivision (b)(2)(B)(i), following "<u>pursuant to</u>", by striking "<u>32</u> V.S.A. § 308c(b)(3)" and inserting in lieu thereof "Sec. E.127.4 of this act".

<u>Eleventh</u>: In Sec. E.504.3, adult education funding; report, by striking subsection (d) in its entirety.

# Proposal of amendment to H. 493 to be offered by Senator Beck

Senator Beck moves that the Senate proposal of amendment be amended as follows:

First: By adding a new section to be Sec. E.234 to read as follows:

Sec. E.234. REPEAL; CLEAN HEAT STANDARD

30 V.S.A. chapter 94 (Clean Heat Standard) is repealed.

Second: By adding a new section to be Sec. E.111.4 to read as follows:

Sec. E.111.4. REPEAL; CLEAN HEAT STANDARD TAX DATA SHARING

32 V.S.A. § 3102(e)(23) (confidentiality of tax records) is repealed.

<u>Third</u>: By adding a new section to be Sec. E.700 to read as follows:

Sec. E.700. REPEAL; GLOBAL WARMING SOLUTIONS ACT; CAUSE OF ACTION

10 V.S.A. § 594 (cause of action) is repealed.

<u>Fourth</u>: By adding a new section to be Sec. E.700.1 to read as follows:

Sec. 700.1. 10 V.S.A. § 567 is amended to read:

# § 567. MOTOR VEHICLE POLLUTION

(a) The Secretary, in conjunction with the Department of Motor Vehicles, may provide rules for the control of emissions from motor vehicles. However, the Secretary shall not adopt the California rules for new motor vehicles authorized in the Clean Air Act, 42 U.S.C. § 7507. Such The rules may prescribe requirements for the installation and use of equipment designed to reduce or eliminate emissions and for the proper maintenance of the equipment and the vehicles. Rules pursuant to this section shall be consistent with provisions of federal law, if any, relating to control of emissions from the vehicles concerned and shall not require, as a condition precedent to the initial sale of a vehicle or vehicular equipment, the inspection, certification, or other approval of any feature or equipment designed for the control of emissions from motor vehicles, if the feature or equipment has been certified, approved, or otherwise authorized pursuant to federal law.

\* \* \*

Fifth: By adding a new section to be Sec. E.700.2 to read as follows:

Sec. 700.2. 10 V.S.A. § 558 is amended to read:

# § 558. EMISSION CONTROL REQUIREMENTS

The Secretary may establish such emission control requirements, by rule, as in his or her the Secretary's judgment may be necessary to prevent, abate, or control air pollution. The requirements may be for the State as a whole or may vary from area to area, as may be appropriate to facilitate accomplishment of the purposes of this chapter, and in order to take necessary or desirable account of varying local conditions. However, the Secretary shall not adopt the California rules for new motor vehicles authorized in the Clean Air Act, 42 U.S.C. § 7507.

Sixth: By adding a new section to be Sec. E.700.3 to read as follows:

Sec. 700.3. 10 V.S.A. § 592 is amended to read:

# § 592. THE VERMONT CLIMATE ACTION PLAN

\* \* \*

(e) The Plan shall form the basis for the rules adopted by the Secretary of Natural Resources pursuant to section 593 of this chapter. If the Council fails to adopt the Plan or update the Plan as required by this chapter, the Secretary shall proceed with adopting and implementing rules pursuant to subsection

593(j) of this chapter to achieve the greenhouse gas emissions reductions requirements pursuant to section 578 of this title. However, in neither instance shall the Secretary adopt the California rules for new motor vehicles authorized in the Clean Air Act, 42 U.S.C. § 7507.

Seventh: By adding a new section to be Sec. E.710 to read as follows:

Sec. 710. RULE REPEAL

The Vermont Low Emission Vehicle and Zero Emission Vehicle Rules, Department of Environmental Conservation, Chapter 40: Vermont Low Emission Vehicle and Zero Emission Vehicle Rules (CVR 12-30-40) are repealed.

#### NOTICE CALENDAR

# **Second Reading**

#### **Favorable**

# H. 219.

An act relating to establishing the Department of Corrections' Family Support Program.

Reported favorably by Senator Plunkett for the Committee on Institutions.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 19, 2025, pages 603-606)

Reported favorably by Senator Norris for the Committee on Appropriations.

(Committee vote: 7-0-0)

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

#### H. 41.

An act relating to abuse of the dead body of a person.

Reported favorably with recommendation of proposal of amendment by Senator Hashim for the Committee on Judiciary.

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. 13 V.S.A. § 3761a is added to read:

# § 3761a. ABUSE OF THE DEAD BODY OF A PERSON

- (a) No person shall, knowingly without legal authorization, intentionally burn, mutilate, disfigure, dismember, or destroy the dead body of a person.
- (b) No person shall violate subsection (a) of this section for the purpose of concealing a crime or avoiding apprehension, prosecution, or conviction of a crime.
  - (c) No person shall commit sexual conduct upon the dead body of a person.
- (d)(1) A person who violates subsection (a) of this section shall be imprisoned not more than five years or fined not more than \$5,000.00, or both.
- (2) A person who violates subsection (b) or (c) of this section shall be imprisoned not more than 15 years or fined not more than \$10,000.00, or both.
  - (e) As used in this section:
- (1) "Dead body of a person" does not include the cremated remains of a person.
- (2) "Sexual conduct" means any of the following committed against the dead body of a person:
- (A) any conduct involving contact between the penis and the vulva, the penis and the penis, the penis and the anus, the mouth and the penis, the mouth and the anus, the vulva and the vulva, or the mouth and the vulva;
- (B) any intrusion, however slight, by any part of an individual's body or any object into any part of a dead human body with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desire of any individual;
- (C) any touching of the dead human body with the intent of arousing, appealing to, or gratifying the lust, passions, or sexual desire of any individual;
  - (D) masturbation; or
  - (E) bestiality.
- Sec. 2. 18 V.S.A. § 5211 is amended to read:

# § 5211. UNAUTHORIZED BURIAL OR REMOVAL; PENALTY

A person who buries, entombs, transports, or removes the dead body of a person without a burial-transit permit so to do, or in any other manner or at any other time or place than as specified in such permit, shall be imprisoned not more than five years or fined subject to a civil penalty of not more than \$1,000.00, or both.

# Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of February 12, 2025, pages 153-161)

# H. 98.

An act relating to confirmatory adoptions.

# Reported favorably with recommendation of proposal of amendment by Senator Hashim for the Committee on Judiciary.

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. 15A V.S.A. § 1-114 is added to read:

# § 1-114. CONFIRMATORY ADOPTION FOR CHILDREN BORN THROUGH ASSISTED REPRODUCTION

- (a) As used in this section:
- (1) "Assisted reproduction" means a method of causing pregnancy other than sexual intercourse and includes:
  - (A) intrauterine, intracervical, or vaginal insemination;
  - (B) donation of gametes;
  - (C) donation of embryos;
  - (D) in vitro fertilization and transfer of embryos; and
  - (E) intracytoplasmic sperm injection.
- (2) "Donor" means a person who contributes a gamete or gametes or an embryo or embryos to another person for assisted reproduction or gestation, whether or not for consideration. This term does not include:
- (A) a person who gives birth to a child conceived by assisted reproduction except as otherwise provided in 15C V.S.A. chapter 8; or
- (B) a parent under 15C V.S.A. chapter 7 or an intended parent under 15C V.S.A. chapter 8.
- (3) "Marriage" includes civil union and any legal relationship that provides substantially the same rights, benefits, and responsibilities as marriage and is recognized as valid in the state or jurisdiction in which it was entered.

- (4) "Petitioners" means the persons filing a petition for adoption in accordance with this section.
- (b) Whenever a child is born as a result of assisted reproduction and the person or persons who did not give birth are a parent pursuant to 15C V.S.A. § 703 or presumed parent pursuant to 15C V.S.A. § 401 and the parents seek to file a petition to confirm parentage through an adoption of the child, the court shall permit the parents to file a petition for adoption in accordance with this section.
  - (c) A complete petition shall comprise the following:
    - (1) the petition for adoption signed by all parents;
- (2) a copy of the petitioners' marriage certificate, if petitioners are married;
- (3) a declaration signed by the parents explaining the circumstances of the child's birth through assisted reproduction, attesting to their consent to assisted reproduction, and stating that there are no other persons with a claim to parentage of the child under Title 15C; and
  - (4) a certified copy of the child's birth certificate.
- (d) A complete petition for adoption, as described in subsection (c) of this section, shall serve as the petitioners' written consents to adoption and no additional consent or notice shall be required.
- (e) If the petitioners conceived through assisted reproduction with donor gametes or donor embryos, the court shall not require notice of the adoption to the donor or consent to the adoption by the donor.
- (f) Unless otherwise ordered by the court for good cause shown and supported by written findings of the court demonstrating good cause, for purposes of evaluating and granting a petition for adoption pursuant to this section, the court shall not require:
- (1) an in-person hearing or appearance, although the court may require a remote hearing;
- (2) an investigation or home study by, a notice to, or the approval of the Department for Children and Families;
  - (3) a criminal-record check;
- (4) verification that the child is not registered with the federal register for missing children or the central register; or
  - (5) a minimum residency period in the home of the petitioners.

- (g) The court shall grant the adoption under this section and issue an adoption decree promptly after the filing of a complete petition and upon finding that:
- (1) for marital parents, the parent who gave birth and the spouse were married at the time of the child's birth and the child was born through assisted reproduction; or

# (2) for nonmarital parents:

- (A) the person who gave birth and the nonmarital parent consented to the assisted reproduction; and
- (B) no other person has a claim to parentage pursuant to Title 15C or that any other person with a claim to parentage of the child who is required to be provided notice of, or who must consent to, the adoption has been notified or provided consent to the adoption.
- (h) Unless notice has been waived or consent given for the adoption, a copy of the petition and notice of a proceeding under this section shall be served upon any person entitled to notice within 30 days after the petition is filed. The notice shall include the address and telephone number of the court where the petition is pending and a statement that the person served with the notice and petition shall file a written appearance in the proceeding within 20 days after service in order to participate in the proceeding and to receive further notice of the proceeding, including notice of the time and place of any hearing. Service of the notice and petition shall be made in a manner appropriate under the Vermont Rules of Probate Procedure unless the court otherwise directs. Proof of service on each person entitled to receive notice shall be on file with the court before the court acts on the petition.
- (i) A petition to adopt a child pursuant to this section shall not be denied on the basis that any of the petitioners' parentage is already presumed or legally recognized in Vermont.
- (j) When parentage is presumed or legally recognized pursuant to 15C V.S.A. § 201, the fact that a person did not petition for adoption pursuant to this section shall not be considered as evidence when two or more presumptions conflict, nor in determining the best interests of the child.
- Sec. 2. 14 V.S.A. § 2622 is amended to read:

# § 2622. DEFINITIONS

As used in this article:

- (1) "Child" means an individual who is under 18 years of age and who is the subject of a petition for guardianship filed pursuant to section 2623 of this title.
  - (2) "Child in need of guardianship" means:
- (A) A child who the parties consent is in need of adult care because of any one of the following:
  - (i) The child's custodial parent has a serious or terminal illness.
- (ii) A custodial parent's physical or mental health prevents the parent from providing proper care and supervision for the child.
- (iii) The child's home is no longer habitable as the result of a natural disaster.
  - (iv) A custodial parent of the child is incarcerated.
  - (v) A custodial parent of the child is on active military duty.
- (vi) A custodial parent of the child is unavailable to care for the child because the parent has been subject to an adverse immigration action.
- (vii) The parties have articulated and agreed to another reason that guardianship is in the best interests of the child.
  - (B) A child who is:
    - (i) abandoned or abused by the child's parent;
- (ii) without proper parental care, subsistence, education, medical, or other care necessary for the child's well-being; or
  - (iii) without or beyond the control of the child's parent.
- (3) "Custodial parent" means a parent who, at the time of the commencement of the guardianship proceeding, has the right and responsibility to provide the routine daily care and control of the child. The rights of the custodial parent may be held solely or shared and may be subject to the court-ordered right of the other parent to have contact with the child. If physical parental rights and responsibilities are shared pursuant to court order, both parents shall be considered "custodial parents" for purposes of this subdivision.
- (4) "Nonconsensual guardianship" means a guardianship with respect to which:
  - (A) a parent is opposed to establishing the guardianship; or

- (B) a parent seeks to terminate a guardianship that the parent previously agreed to establish.
- (5) "Noncustodial parent" means a parent who is not a custodial parent at the time of the commencement of the guardianship proceeding.
- (6) "Parent" means a child's biological or adoptive parent, including custodial parents; noncustodial parents; parents with legal or physical responsibilities, or both; and parents whose rights have never been adjudicated.
- (7) "Parent-child contact" means the right of a parent to have visitation with the child by court order.
- (8) "Standby guardianship" means a consensual guardianship agreement between the custodial parent and their chosen guardian that meets the requirements of section 2626a of this title, in which the custodial parent has been subject to an adverse immigration action that has rendered the parent unavailable to care for their child.

# (9) "Adverse immigration action" means:

- (A) arrest or apprehension by any federal law enforcement officer for an alleged violation of federal immigration law;
- (B) arrest, detention, or custody by the Department of Homeland Security, or a federal, state, or local agency authorized by or acting on behalf of the Department of Homeland Security, for an alleged violation of federal immigration law;
- (C) departure from the United States under an order of removal, deportation, exclusion, voluntary departure, or expedited removal or a stipulation of voluntary departure;
- (D) the denial, revocation, or delay of the issuance of a visa or transportation letter by the Department of State;
- (E) the denial, revocation, or delay of the issuance of a parole document or reentry permit by the Department of Homeland Security; or
- (F) the denial of admission or entry into the United States by the Department of Homeland Security or other local or state officer acting on behalf of the Department of Homeland Security.
- Sec. 3. 14 V.S.A. § 2623 is amended to read:
- § 2623. PETITION FOR GUARDIANSHIP OF MINOR; SERVICE

- (a) A parent or a person interested in the welfare of a minor may file a petition with the Probate Division of the Superior Court for the appointment of a guardian for a child. The petition shall state:
- (1) the names and addresses of the parents, the child, and the proposed guardian;
  - (2) the proposed guardian's relationship to the child;
- (3) the names of all members of the proposed guardian's household and each person's relationship to the proposed guardian and the child;
  - (4) that the child is alleged to be a child in need of guardianship;
  - (5) specific reasons with supporting facts why guardianship is sought;
- (6) whether the parties agree that the child is in need of guardianship and that the proposed guardian should be appointed as guardian;
  - (7) the child's current school and grade level;
- (8) if the proposed guardian intends to change the child's current school, the name and location of the proposed new school and the estimated date when the child would enroll:
- (9) the places where the child has lived during the last five years, and the names and present addresses of the persons with whom the child has lived during that period; and
- (10) any prior or current court proceedings, child support matters, or parent-child contact orders involving the child;
- (11) whether the petition seeks a standby guardianship and the reasons for the request, including the adverse immigration action that the custodial parent is subject to; and
- (12) whether the petition is an emergency petition filed pursuant to subdivision 2625(f)(1) of this title.
- (b)(1) A petition for guardianship of a child under this section shall be served on all parties and interested persons as provided by Rule 4 of the Vermont Rules of Probate Procedure.
- (2)(A) The Probate Division may waive the notice requirements of subdivision (1) of this subsection (b) with respect to a parent if the court finds that:
  - (i) the identity of the parent is unknown; or
- (ii) the location of the parent is unknown and cannot be determined with reasonable effort; or

- (iii)(I) the custodial parent is detained as the result of an adverse immigration action; and
- (II) the guardian and the custodial parent's attorney are unable to contact the custodial parent after making reasonable efforts.
- (B) After a guardianship for a child is created, the Probate Division shall reopen the proceeding at the request of a parent of the child who did not receive notice of the proceeding as required by this subsection (b).
- Sec. 4. 14 V.S.A. § 2625 is amended to read:

# § 2625. HEARING; COUNSEL; GUARDIAN AD LITEM

- (a) The Probate Division shall schedule a hearing upon the filing of the petition and shall provide notice of the hearing to all parties and interested persons who were provided notice under subdivision 2623(c)(1) of this title.
- (b) The child shall attend the hearing if he or she the child is 14 years of age or older unless the child's presence is excused by the court for good cause. The child may attend the hearing if he or she the child is less than 14 years of age.
- (c) The court shall appoint counsel for the child if the child will be called as a witness. In all other cases, the court may appoint counsel for the child.
- (d)(1) The child may be called as a witness only if the court finds after hearing that:
- (A) the child's testimony is necessary to assist the court in determining the issue before it;
- (B) the probative value of the child's testimony outweighs the potential detriment to the child; and
- (C) the evidence sought is not reasonably available by any other means.
- (2) The examination of a child called as a witness may be conducted by the court in chambers in the presence of such other persons as the court may specify and shall be recorded.
- (e) The court may appoint a guardian ad litem for the child on motion of a party or on the court's own motion.
- (f)(1) The court may grant an emergency guardianship petition filed ex parte by the proposed guardian, or by the custodial parent's attorney in the case of a standby guardianship petition filed pursuant to section 2626a of this title, if the court finds that:

- (A)(i) both parents are deceased or medically incapacitated; and or
- (ii) in the case of a standby guardianship petition filed pursuant to section 2626a of this title, the custodial parent has been subject to an adverse immigration action that renders the parent unavailable to care for the child; and
- (B) the best interests of the child require that a guardian be appointed without delay and before a hearing is held.
- (2) If the court grants an emergency guardianship petition pursuant to subdivision (1) of this subsection (f), it shall schedule a hearing on the petition as soon as practicable and in no event more than three business days after the petition is filed.
- Sec. 5. 14 V.S.A. § 2626a is added to read:

# § 2626a. CONSENSUAL STANDBY GUARDIANSHIP

- (a)(1) If the petition requests a consensual standby guardianship, the petition shall include or be accompanied by a consent signed by the custodial parent attesting that the custodial parent understands the nature of the standby guardianship and knowingly and voluntarily consents to the standby guardianship.
- (2) The consent required by this subsection shall be on a form approved by the Court Administrator.
- (b)(1) The court shall schedule a hearing on the petition within 14 days. The custodial parent shall be permitted to appear at and participate in the hearing remotely.
- (2) On or before the date of the hearing, the parties shall file an agreement between the proposed guardian and the custodial parents. The agreement shall provide:
- (A) that the parties are creating a standby guardianship that is effective only if the custodial parent has been subject to an adverse immigration action that renders the custodial parent unavailable to care for the child;
  - (B) the responsibilities of the guardian;
  - (C) the responsibilities of the parents;
  - (D) the expected duration of the guardianship, if known;
- (E) parent-child contact and parental involvement in decision making; and

- (F) that the guardianship shall presumptively terminate if the custodial parent is released from custody and reunited with the child.
- (3) Any party may notify the court that the guardianship is presumptively terminated pursuant to subdivision (2)(F) of this subsection.
- (c) Vermont Rule of Probate Procedure 43 (relaxed rules of evidence in probate proceedings) shall apply to hearings under this section.
- (d) The court shall grant the petition if it finds after the hearing by clear and convincing evidence that:
- (1) the child is a child in need of guardianship as defined in subdivision 2622(2)(A) of this title because the parent has been subject to an adverse immigration action that renders the parent unavailable to care for the child;
- (2) the child's custodial parents knowingly and voluntarily consented to the standby guardianship;
- (3) the guardian or the custodial parent's attorney made reasonable efforts to notify the parent of the proceeding;
  - (4) the agreement is voluntary;
  - (5) the proposed guardian is suitable; and
  - (6) the guardianship is in the best interests of the child.
- (e) There shall be a rebuttable presumption that the guardianship is in the best interests of the child if:
- (1) the custodial parent has been subject to an adverse immigration action and is unavailable to care for their child;
  - (2) all parties consented to the guardianship; and
  - (3) the custodial parent is represented by an attorney.
- (f) If the court grants the petition, it shall approve the agreement at the hearing and issue an order establishing a guardianship under section 2628 of this title within 45 days after the petition was filed, unless the court extends the time for issuing the order for good cause shown. The order shall be consistent with the terms of the parties' agreement unless the court finds that the agreement was not reached voluntarily or is not in the best interests of the child.
- Sec. 6. 14 V.S.A. § 2628 is amended to read:
- § 2628. GUARDIANSHIP ORDER

- (a) If the court grants a petition for guardianship of a child under subsection 2626(d), 2626a(d), or 2627(d) of this title, the court shall enter an order establishing a guardianship and naming the proposed guardian as the child's guardian.
- (b) A guardianship order issued under this section shall include provisions addressing the following matters:
- (1) the powers and duties of the guardian consistent with section 2629 of this title:
  - (2) the expected duration of the guardianship, if known;
  - (3) a family plan on a form approved by the Court Administrator that:
    - (A) in a consensual case is consistent with the parties' agreement; or
- (B) in a nonconsensual case includes, at a minimum, provisions that address parent-child contact consistent with section 2630 of this title; and
- (4) the process for reviewing the order consistent with section 2631 of this title.
- Sec. 7. 14 V.S.A. § 2629 is amended to read:

# § 2629. POWERS AND DUTIES OF GUARDIAN

- (a) The court shall specify the powers and duties of the guardian in the guardianship order.
  - (b) The duties of a custodial guardian shall include the duty to:
- (1) take custody of the child and establish his or her the child's place of residence, provided that a guardian shall not change the residence of the child to a location outside the State of Vermont without prior authorization by the court following notice to the parties and an opportunity for hearing;
  - (2) make decisions related to the child's education;
- (3) make decisions related to the child's physical and mental health, including consent to medical treatment and medication;
- (4) make decisions concerning the child's contact with others, provided that the guardian shall comply with all provisions of the guardianship order regarding parent-child contact and contact with siblings;
- (5) receive funds paid for the support of the child, including child support and government benefits; and

- (6) file an annual status report to the Probate Division, with a copy to each parent at his or her the parent's last known address, including the following information:
  - (A) the current address of the child and each parent;
- (B) the child's health care and health needs, including any medical and mental health services the child received;
- (C) the child's educational needs and progress, including the name of the child's school, day care, or other early education program, the child's grade level, and the child's educational achievements;
- (D) contact between the child and his or her the child's parents, including the frequency and duration of the contact and whether it was supervised;
- (E) how the parents have been involved in decision making for the child;
- (F) how the guardian has carried out his or her the guardian's responsibilities and duties, including efforts made to include the child's parents in the child's life:
- (G) the child's strengths, challenges, and any other areas of concern; and
- (H) recommendations with supporting reasons as to whether the guardianship order should be continued, modified, or terminated.
- (c) In the case of a standby guardianship petition filed pursuant to section 2626a of this title, the guardian shall provide status reports to the custodial parent at the parent's last known email address and to the custodial parent's attorney at the attorney's last known address.
- Sec. 8. 14 V.S.A. § 2632 is amended to read:

#### § 2632. TERMINATION

- (a) A parent may file a motion to terminate a guardianship at any time. The motion shall be filed with the Probate Division that issued the guardianship order and served on all parties and interested persons.
- (b)(1) If the motion to terminate is made with respect to a consensual guardianship established under section 2626 of this title or a standby guardianship established under section 2626a of this title, the court shall grant the motion and terminate the guardianship unless the guardian files a motion to continue the guardianship within 30 days after the motion to terminate is served. In the case of a standby guardianship established under section 2626a

of this title, the court may, for good cause shown, accept filings that do not meet the format and signing requirements for the motion under Vermont Rules of Probate Procedure 10 and 11.

- (2) If the guardian files a motion to continue the guardianship, the matter shall be set for hearing and treated as a nonconsensual guardianship proceeding under section 2627 of this title. The parent shall not be required to show a change in circumstances, and the court shall not grant the motion to continue the guardianship unless the guardian establishes by clear and convincing evidence that the minor is a child in need of guardianship under subdivision 2622(2)(B) of this title. In the case of a standby guardianship established under section 2626 of this title, the custodial parent shall be permitted to appear at and participate in the hearing remotely.
- (3) If the court grants the motion to continue, it shall issue an order establishing a guardianship under section 2628 of this title.
- (c)(1) If the motion to terminate the guardianship is made with respect to a nonconsensual guardianship established under section 2627 or subdivision 2632(b)(3) of this title, the court shall dismiss the motion unless the parent establishes that a change in circumstances has occurred since the previous guardianship order was issued.
- (2) If the court finds that a change in circumstances has occurred since the previous guardianship order was issued, the court shall grant the motion to terminate the guardianship unless the guardian establishes by clear and convincing evidence that the minor is a child in need of guardianship under subdivision 2622(2)(B) of this title.

# Sec. 9. EFFECTIVE DATES

- (a) Sec. 1 shall take effect on July 1, 2025.
- (b) Secs. 2–8 and this section shall take effect on passage.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of February 19, 2025, pages 203-205)

# H. 137.

An act relating to the regulation of insurance products and services.

# Reported favorably with recommendation of proposal of amendment by Senator Cummings for the Committee on Finance.

The Committee recommends that the Senate propose to the House to amend the bill by striking out Sec. 22, virtual currency kiosk moratorium, in its entirety and inserting in lieu thereof four new sections to be Secs. 22–25 to read as follows:

Sec. 22. 8 V.S.A. § 2571 is amended to read:

# § 2571. DEFINITIONS

As used in this subchapter:

- (1) "Blockchain" has the same meaning as in 12 V.S.A. § 1913(a)(1).
- (2) "Blockchain analytics" means a software service that uses data from various virtual currencies and their applicable blockchains to provide a risk rating specific to digital wallet addresses from users of virtual-currency kiosks.
- (3) "Digital wallet" means hardware or software that enables individuals to store and use virtual currency.
- (4) "Digital wallet address" means an alphanumeric identifier representing a destination on a blockchain for a virtual currency transfer that is associated with a digital wallet.
- (5) "Exchange," used as a verb, means to assume or exercise control of virtual currency from or on behalf of a person, including momentarily, to buy, sell, trade, or convert:
- (A) virtual currency for money, monetary value, bank credit, or one or more forms of virtual currency, or other consideration; or
- (B) money, monetary value, bank credit, or other consideration for one or more forms of virtual currency.
  - (6) "Existing customer" means a consumer who:
- (A) is engaging in a transaction at a virtual-currency kiosk in Vermont; and
- (B) whose first transaction with the virtual-currency kiosk operator occurred more than 30 days prior.
  - (7) "New customer" means a consumer who:
- (A) is engaging in a transaction at a virtual-currency kiosk in Vermont; and
- (B) whose first transaction with the virtual-currency kiosk operator occurred not more than 30 days prior.
- (2)(8) "Transfer" means to assume or exercise control of virtual currency from or on behalf of a person and to:

- (A) credit the virtual currency to the account or digital wallet of another person;
- (B) move the virtual currency from one account or digital wallet of a person to another account or digital wallet of the same person; or
- (C) relinquish or transfer control or ownership of virtual currency to another person, digital wallet, distributed ledger address, or smart contract.
- Sec. 23. 8 V.S.A. § 2574 is amended to read:

# § 2574. REQUIRED DISCLOSURES

- (a) <u>Licensee disclosures</u>, <u>generally</u>. A person licensed under subchapter 2 of this chapter to engage in virtual-currency business activity shall provide the disclosures required by this section and any additional disclosure the Commissioner determines reasonably necessary for the protection of the public.
- (1) A disclosure required by this section must be made separately from any other information provided by the licensee and in a clear and conspicuous manner in a record the person may keep.
- (2) The Commissioner may waive one or more requirements in subsections (b)–(d) of this section and approve alternative disclosures proposed by a licensee if the Commissioner determines that the alternative disclosure is more appropriate for the virtual-currency business activity and provides the same or equivalent information and protection to the public.
- (b) <u>Licensee disclosures prior to business activity.</u> Before engaging in virtual-currency business activity with a person, a licensee shall disclose, to the extent applicable to the virtual-currency business activity the licensee will undertake with the person:
- (1) a schedule of fees and charges the licensee may assess, the manner by which fees and charges will be calculated if they are not set in advance and disclosed, and the timing of the fees and charges, including general disclosure regarding mark-ups and mark-downs on purchases, sales, or exchanges of virtual currency in which the licensee or any affiliate thereof is acting in a principal capacity;
- (2) whether the product or service provided by the licensee is covered by:
- (A) a form of insurance or is otherwise guaranteed against loss by an agency of the United States:

- (i) up to the full U.S. dollar equivalent of virtual currency purchased from the licensee or for control of virtual currency by the licensee as of the date of the placement or purchase, including the maximum amount provided by insurance under the Federal Deposit Insurance Corporation or otherwise available from the Securities Investor Protection Corporation; or
- (ii) if not provided at the full U.S. dollar equivalent of virtual currency purchased from the licensee or for control of virtual currency by the licensee, the maximum amount of coverage for each person expressed in the U.S. dollar equivalent of the virtual currency; or
- (B) private insurance against theft or loss, including cyber theft or theft by other means;
- (3) the irrevocability of a transfer or exchange and any exception to irrevocability;
  - (4) a description of:
- (A) liability for an unauthorized, mistaken, or accidental transfer or exchange;
- (B) the person's responsibility to provide notice to the licensee of the transfer or exchange;
  - (C) the basis for any recovery by the person from the licensee;
- (D) general error-resolution rights applicable to the transfer or exchange; and
- (E) the method for the person to update the person's contact information with the licensee;
- (5) that the date or time when the transfer or exchange is made and the person's account is debited may differ from the date or time when the person initiates the instruction to make the transfer or exchange;
- (6) whether the person has a right to stop a preauthorized payment or revoke authorization for a transfer and the procedure to initiate a stop-payment order or revoke authorization for a subsequent transfer;
- (7) the person's right to receive a receipt, trade ticket, or other evidence of the transfer or exchange;
- (8) the person's right to at least 30 days' prior notice of a change in the licensee's fee schedule, other terms and conditions of operating its virtual-currency business activity with the person, and the policies applicable to the person's account; and

(9) that virtual currency is not money.

# (c) Disclosures.

- (1) Disclosures prior to each virtual-currency transaction. In connection with any virtual-currency transaction effected through a money transmission virtual-currency kiosk in this State, or in any transaction where the licensee or any affiliate thereof is acting in a principal capacity in a sale of virtual currency to, or purchase of virtual currency from, a customer, then immediately prior to effecting such a purchase or sale transaction with or on behalf of a customer, a licensee shall prominently disclose and shall require the customer to acknowledge and confirm the terms and conditions of the virtual-currency transaction, which shall include the following:
- (1)(A) the type, value, date, precise time, and amount of the transaction; and
  - (2)(B) the consideration charged for the transaction, including:
- (A)(i) any charge, fee, commission, or other consideration for any trade, exchange, conversion, or transfer involving virtual currency; and
- (B)(ii) any difference between the price paid by the customer for any virtual currency and the prevailing market price of such virtual currency, if any:
- (C) for a customer of a virtual-currency kiosk, a description of the virtual-currency kiosk operator's refund policy, which shall be consistent with the requirements specified in subsections 2577(k) and (l) of this subchapter;
- (D) for a customer of a virtual-currency kiosk, the customer warning described in subdivision (g)(1) of this section; and
  - (E) the daily transaction limit, if applicable.
- (2) Disclosures for new kiosk accounts. When opening an account for a new customer, and prior to entering into an initial transaction for, on behalf of, or with such customer, each virtual-currency kiosk operator shall disclose relevant terms and conditions associated with its products, services, and activities and with virtual currency, generally, including disclosures substantially similar to the following:
- (A) the customer's liability for unauthorized virtual-currency transactions;
- (B) under what circumstances the virtual-currency kiosk operator will, absent a court or government order, disclose information concerning the customer's account to third parties;

- (C) the customer's right to receive periodic account statements and valuations from the virtual-currency kiosk operator;
- (D) the customer's right to receive a receipt, trade ticket, or other evidence of a transaction;
- (E) the customer's right to prior notice of a change in the virtualcurrency kiosk operator's rules or policies;
- (F) a statement of the material risks associated with virtual-currency transactions, generally, as described in subsection (h) of this section;
- (G) the name and telephone number of the Department of Financial Regulation and a statement disclosing that a customer may contact the Department with questions or complaints about a licensee; and
- (H) such other disclosures as are customarily given in connection with the opening of customer accounts.
- (d) <u>Licensee receipt requirements.</u> Except as otherwise provided in subsection (e) of this section, at the conclusion of a virtual-currency transaction with or on behalf of a person, a licensee shall provide the person with a receipt that contains:
- (1) the name and contact information of the licensee, including information the person may need to ask a question or file a complaint;
- (2) the type, value, date, precise time, and amount of the transaction expressed in U.S. currency;
  - (3) the consideration charged for the transaction, including:
- (A) any charge, fee, commission, or other consideration for any trade, exchange, conversion, or transfer involving virtual currency; or
- (B) the amount of any difference between the price paid by the customer for any virtual currency and the prevailing market price of such virtual currency, if any; and
  - (4) any other information required pursuant to section 2562 of this title.
- (e) <u>Licensee daily confirmation</u>. If a licensee discloses that it will provide a daily confirmation in the initial disclosure under subsection (e)(b) of this section, the licensee may elect to provide a single, daily confirmation for all transactions with or on behalf of a person on that day instead of a pertransaction confirmation.
- (f) Kiosk transaction receipt. Notwithstanding any other provision of law to the contrary, a virtual-currency kiosk operator shall provide a customer with

both a paper and an electronic receipt in a retainable form for each virtual-currency transaction completed at a virtual-currency kiosk. In addition to the information required to be included in a receipt under subsection (d) of this section or under section 2562 of this title, each receipt for virtual-currency transaction completed at a virtual-currency kiosk shall include:

- (1) the identification of any applicable digital wallet address to which virtual currency is transmitted;
  - (2) the full name of the account owner;
  - (3) any unique transaction identifiers;
- (4) a prominent statement of the virtual-currency kiosk operator's refund obligations under this section, in a form approved by the Commissioner;
- (5) a statement of the operator's liability for nondelivery or delayed delivery of virtual currency; and
- (6) the name and telephone number of the Department of Financial Regulation and a statement disclosing that a customer may contact the Department with questions or complaints about an operator.
  - (g) Customer warning.
- (1) Prior to entering into a virtual-currency transaction with a customer at a virtual-currency kiosk, and as required by subdivision (c)(1)(D) of this section, each virtual-currency kiosk operator shall ensure a warning is disclosed to the customer substantially similar to the following:

# Customer Notice. Please Read Carefully.

Did you receive a phone call from your bank, software provider, the police, or were you directed to make a payment for Social Security, a utility bill, an investment, warrants, or bail money at this kiosk? STOP

Is anyone on the phone pressuring you to make a payment of any kind? STOP

I understand that the purchase and sale of cryptocurrency may be a final, irreversible, and nonrefundable transaction.

I confirm I am sending funds to a digital wallet I own or directly have control over. I confirm that I am using funds gained from my own initiative to make my transaction.

- (2) A virtual-currency kiosk operator shall ensure a customer has a readily accessible opportunity to end a transaction for any reason prior to its completion.
- (h) Statement of material risks. As used in subdivision (c)(2)(F) of this section, a statement of material risks associated with virtual-currency transactions, generally, shall include disclosures substantially similar to the following:
- (1) Virtual currency is not legal tender, is not backed by the government, and accounts and value balances are not subject to Federal Deposit Insurance Corporation or Securities Investor Protection Corporation protections.
- (2) Legislative and regulatory changes or actions at the State, federal, or international level may adversely affect the use, transfer, exchange, and value of virtual currency.
- (3) Transactions in virtual currency may be irreversible and, accordingly, losses due to fraudulent or accidental transactions may not be recoverable.
- (4) Some virtual-currency transactions shall be deemed to be made when recorded on a public ledger, which is not necessarily the date or time that the customer initiates the transaction.
- (5) The value of virtual currency may be derived from the continued willingness of market participants to exchange fiat currency for virtual currency, which may result in the potential for permanent and total loss of value of a particular virtual currency should the market for that virtual currency disappear.
- (6) There is no assurance that a person who accepts a virtual currency as payment today will continue to do so in the future.
- (7) The volatility and unpredictability of the price of virtual currency relative to fiat currency may result in significant loss over a short period of time.
- (8) The nature of virtual currency may lead to an increased risk of fraud or cyber attack.
- (9) The nature of virtual currency means that any technological difficulties experienced by the virtual-currency kiosk operator may prevent the access or use of a customer's virtual currency.

- (10) Any bond or trust account maintained by the virtual-currency kiosk operator for the benefit of its customers may not be sufficient to cover all losses incurred by customers.
- Sec. 24. 8 V.S.A. § 2577 is amended to read:

# § 2577. VIRTUAL-CURRENCY KIOSK OPERATORS

- (a) Daily transaction limit.
- (1) A virtual-currency kiosk operator shall not accept or dispense more than \$1,000.00 \$2,000.00 of cash in a day in connection with virtual-currency transactions with a single, new customer in this State via one or more money transmission virtual-currency kiosks.
- (2) A virtual-currency kiosk operator shall not accept or dispense more than \$5,000.00 of cash in a day in connection with virtual-currency transactions with a single, existing customer in this State via one or more virtual-currency kiosks.
- (b) Fee cap. The aggregate fees and charges, directly or indirectly, charged to a customer related to a single transaction or series of related transactions involving virtual currency effected through a money transmission kiosk in this State, including any difference between the price charged to a customer to buy, sell, exchange, swap, or convert virtual currency and the prevailing market value of such virtual currency at the time of such transaction, shall not exceed the greater of the following:
  - (1) \$5.00; or
- (2) three <u>15</u> percent of the U.S. dollar equivalent of virtual currency involved in the transaction or transactions.
- (c) Single transaction. The purchase, sale, exchange, swap, or conversion of virtual currency, or the subsequent transfer of virtual currency, in a series of transactions shall be deemed to be a single transaction for purposes of subsection (b) subsections (a) and (b) of this section.
- (d) Licensing requirement. A virtual-currency kiosk operator shall comply with the licensing requirements of this subchapter to the extent that the virtual-currency kiosk operator engages in virtual-currency business activity.
- (e) Operator accountability. If a virtual-currency kiosk operator allows or facilitates another person to engage in virtual-currency business activity via a money transmission virtual-currency kiosk in this State that is owned, operated, or managed by the virtual-currency kiosk operator, the virtual-currency kiosk operator, shall do all of the following:

- (1) ensure that the person engaging in virtual-currency business activity is licensed under subchapter 2 of this chapter to engage in virtual-currency business activity and complies with all other applicable provisions of this chapter;
- (2) ensure that any charges collected from a customer via the money transmission virtual-currency kiosk comply with the limits provided by fee cap established in subsection (b) of this section; and
  - (3) comply with all other applicable provisions of this chapter.
- (f) Moratorium. To protect the public safety and welfare and safeguard the rights of consumers, virtual-currency kiosks shall not be permitted to operate in Vermont prior to July 1, 2025 2026. This moratorium shall not apply to a virtual-currency kiosk that was <u>duly licensed and</u> operational in Vermont on or before June 30, 2024.
- (g) Report. On or before January 15, 2025, the Commissioner of Financial Regulation shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Finance on whether the requirements of this section coupled with relevant federal requirements are sufficient to protect customers in Vermont from fraudulent activity. If deemed necessary and appropriate by the Commissioner, the Commissioner may make recommendations for additional statutory or regulatory safeguards. In addition, the Commissioner shall make recommendations for enhanced oversight and monitoring of virtual-currency kiosks for the purpose of minimizing their use for illicit activities as described in the U.S. Government Accountability Office report on virtual currencies, GAO-22-105462, dated December 2021. Customer identification. For each virtual-currency transaction occurring at a virtual-currency kiosk in this State, the virtualcurrency kiosk operator shall verify the identity of the customer prior to accepting payment from the customer. A virtual-currency kiosk operator shall not allow a customer to engage in any transaction at a virtual-currency kiosk under any name, account, or identity other than the customer's own true name and identity. A virtual-currency kiosk operator shall obtain a copy of a government-issued identification card that identifies the customer and shall collect additional customer information, including the customer's name, date of birth, telephone number, address, and email address prior to accepting any payment from a customer at a virtual-currency kiosk in this State. In addition, a virtual-currency kiosk operator shall take a photograph of the customer in a retainable format at the virtual-currency kiosk for each transaction. A virtualcurrency kiosk operator shall be strictly liable for any violation of this subsection.

- (h) Customer support. A virtual-currency kiosk operator shall offer live, toll-free, telephone customer support during the hours of operation of a virtual-currency kiosk. The customer support telephone number shall be displayed on the virtual-currency kiosk or on the virtual-currency kiosk screen.
  - (i) Mandatory live screening.
- (1) A virtual-currency kiosk operator shall identify and speak by telephone with:
- (A) a new customer over 60 years of age prior to such customer's first virtual-currency transaction with the virtual-currency kiosk operator; or
- (B) a customer attempting to conduct more than \$5,000.00 in virtualcurrency transactions during any consecutive 10-day period.
- (2) The virtual-currency kiosk operator's approval of a transaction subject to a mandatory live screening under this subsection shall be dependent upon its assessment of its communication with the customer during the screening.
- (3) A virtual-currency kiosk operator shall record and retain a copy of each mandatory live screening.
- (4) During the mandatory live screening, the virtual-currency kiosk operator shall:
  - (A) positively identify the customer;
- (B) reconfirm any attestations made by the customer at the virtualcurrency kiosk;
  - (C) discuss the purpose of the transaction; and
  - (D) discuss types of fraudulent schemes relating to virtual currency.
- (j) Blockchain analytics. A virtual-currency kiosk operator shall use blockchain analytics software and retain an established third party that specializes in performing blockchain analytics to assist in the prevention of sending purchased virtual currency from a virtual-currency kiosk operator to a digital wallet known to be affiliated with fraudulent activity at the time of a transaction. The Commissioner may request evidence from any virtual-currency kiosk operator of its current use of blockchain analytics.
- (k) Full refund for new customers. The virtual-currency kiosk operator shall provide a full refund to a customer who was fraudulently induced to engage in a virtual-currency kiosk transaction, provided the fraudulently induced transaction occurred while the customer was a new customer and further provided the customer contacts the virtual-currency kiosk operator and

- a law enforcement or government agency to inform the operator and the agency of the fraudulent nature of the transaction within 90 days after the customer's last virtual-currency transaction with the virtual-currency kiosk operator. The refund shall include any fees charged in association with the fraudulently induced transaction.
- (1) Fee refund for existing customers. The virtual-currency kiosk operator shall provide a fee refund to an existing customer who has been fraudulently induced to engage in a virtual-currency kiosk transaction, provided the customer contacts the virtual-currency kiosk operator and a law enforcement or government agency to inform the operator and the agency of the fraudulent nature of the transaction within 90 days after the last fraudulently induced transaction. The refund shall include all fees charged in association with the fraudulently induced transaction.
- (m) Fraud prevention. A virtual-currency kiosk operator shall take reasonable steps to detect and prevent fraud, including establishing and maintaining a written antifraud policy. The antifraud policy shall, at a minimum, include the following:
  - (1) the identification and assessment of fraud-related risk areas;
  - (2) procedures and controls to protect against identified risks;
  - (3) allocation of responsibility for monitoring risks;
- (4) procedures for the periodic evaluation and revision of the antifraud procedures, controls, and monitoring mechanisms;
- (5) procedures and controls that prevent more than one customer from using the same digital wallet;
- (6) procedures and controls that enable the virtual-currency kiosk operator to prevent a digital wallet from being used at a virtual-currency kiosk it operates if the operator knows or reasonably should know the digital wallet is affiliated with fraudulent activities; and
- (7) policies and procedures for using a risk-based method for monitoring customers on a post transaction basis.
- (n) Due diligence policy. A virtual-currency kiosk operator shall maintain, implement, and enforce a written Enhanced Due Diligence Policy. The Policy shall be reviewed and approved by the virtual-currency kiosk operator's board of directors or an equivalent governing body of the virtual-currency kiosk operator. The Policy shall identify, at a minimum, individuals who are at risk of fraud based on age or mental capacity.

(o) Compliance policies. A virtual-currency kiosk operator shall maintain, implement, and enforce written compliance policies and procedures. Such policies and procedures shall be reviewed and approved by the virtual-currency kiosk operator's board of directors or an equivalent governing body of the virtual-currency kiosk operator.

# (p) Compliance officer.

- (1) A virtual-currency kiosk operator shall designate and employ a compliance officer who meets the following requirements:
- (A) is qualified to coordinate and monitor compliance with this section and all other applicable federal and State laws and regulations;
  - (B) is employed full-time by the virtual-currency kiosk operator; and
- (C) is not an individual who owns more than 20 percent of the virtual-currency kiosk operator by whom the individual is employed.
- (2) Compliance responsibilities required under federal and State law and regulation shall be completed by one or more full-time employees of the virtual-currency kiosk operator.
- (q) Consumer protection officer. A virtual-currency kiosk operator shall designate and employ a consumer protection officer who meets the following requirements:
- (1) is qualified to coordinate and monitor compliance with this section and all other applicable federal and State laws and regulations;
  - (2) is employed full-time by the virtual-currency kiosk operator; and
- (3) is not an individual who owns more than 20 percent of the virtualcurrency kiosk operator by whom the individual is employed.
- (r) The Commissioner may adopt rules the Commissioner deems necessary and proper to carry out the purposes of this section, including with respect to what constitutes fraudulent activity or a fraudulently induced transaction in the context of customer transactions at a virtual-currency kiosk.
- Sec. 25. 8 V.S.A. § 13301 is amended to read:

# § 13301. CORPORATORS OF MUTUAL FINANCIAL INSTITUTIONS

(a) Persons named in the organizational documents constitute the original board of corporators of a mutual financial institution. Membership on this board continues until terminated by death, resignation, or disqualification as provided in this section.

- (b) All corporators shall be residents of the geographic area that the financial institution serves or an area proximate to this geographic area. A person may shall not continue as a corporator after ceasing to be a resident of the financial institution's geographic area or an area proximate to this geographic area.
- (c) Any corporator failing to attend the annual meeting of the board of corporators for two successive years ceases to be a member of the board unless reelected by a vote of the remaining corporators.
- (d) The number of corporators may be fixed or altered by the internal governance documents of the financial institution, and vacancies may be filled by election at any annual meeting.
- (e) More than 50 percent of all corporators shall be depositors of the financial institution.
- (f) At least two-thirds of all corporators shall be independent. As used in this subsection, an "independent corporator" means an individual who is not an employee, director, or officer of the financial institution, its subsidiaries, or its affiliates.
- (g) Corporators shall be fiduciaries of the depositor base and shall exercise their authority in the best interests of the depositors with a duty of loyalty and care. In exercising their duties as corporators, corporators shall consider the interests of the depositors, the borrowers, and other customers of the financial institution; the general benefit and economic well-being of the communities served by the financial institution; and the safety, soundness, and general business needs of the financial institution.

and by renumbering the remaining section to be numerically correct.

(Committee vote: 7-0-0)

(For House amendments, see House Journal of March 14, 2025, pages 428)

# H. 481.

An act relating to stormwater management.

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

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. 10 V.S.A. § 1264 is amended to read:

# § 1264. STORMWATER MANAGEMENT

\* \* \*

(c) Prohibitions.

\* \* \*

(7) In accordance with the schedule established under subdivision (g)(3) of this section, a person shall not discharge stormwater from impervious surface of three or more acres in size without first obtaining an individual permit or coverage under a general permit issued under this section if the discharge was never previously permitted or was permitted under an individual permit or general permit that did not incorporate the requirements of the 2002 Stormwater Management Manual or any subsequently adopted Stormwater Management Manual. The Secretary shall provide notice to all owners of property subject to the permit required under this subdivision.

# (d) Exemptions.

\* \* \*

(2) No permit is required under subdivision (c)(1), (5), or (7) of this section and for which a municipality has assumed full legal responsibility as part of a permit issued to the municipality by the Secretary. As used in this subdivision, "full legal responsibility" means legal control of the stormwater system, including a legal right to access the stormwater system, a legal duty to properly maintain the stormwater system, and a legal duty to repair and replace the stormwater system when it no longer adequately protects waters of the State. Notwithstanding the provisions of 24 V.S.A. § 3254 to the contrary, when a municipality assumes or has assumed full legal responsibility for a stormwater system, the municipality may assess municipal special assessment fees on users of the stormwater system provided that a majority of the property owners subject to the special assessment fee consented and the impact fee assessed is a fair apportionment to the user of the cost of the improvement in accordance with the benefits the user received.

\* \* \*

(g) General permits.

\* \* \*

(3) Within 120 days after the adoption by the Secretary of the rules required under subsection (f) of this section, the Secretary shall issue a general permit under this section for discharges of stormwater from impervious surface of three or more acres in size, when the stormwater discharge previously was not permitted or was permitted under an individual permit or general permit

that did not incorporate the requirements of the 2002 Stormwater Management Manual or any subsequently adopted Stormwater Management Manual. Under the general permit, the Secretary shall:

- (A) Establish a schedule for implementation of the general permit by geographic area of the State. The schedule shall establish the date by which an owner of impervious surface shall apply for coverage under this subdivision (3). The schedule established by the Secretary shall require an owner of impervious surface subject to permitting under this subdivision to obtain coverage by the following dates:
- (i) for impervious surface located within the Lake Champlain watershed, the Lake Memphremagog watershed, or the watershed of a stormwater-impaired water on or before October 1, 2023 2028; and
- (ii) for impervious surface located within all other watersheds of the State, no not later than October 1, 2033 2038 or not later than five years after a binding stormwater-specific waste-load allocation has been established for that watershed, whichever occurs first.
- (B) Establish criteria and technical standards, such as best management practices, for implementation of stormwater improvements for the retrofitting of impervious surface subject to permitting under this subdivision (3).
- (C) Require that a discharge of stormwater from impervious surface subject to the requirements of this section comply with the standards of subsection (h) of this section for redevelopment of or renewal of a permit for existing impervious surface.
- (D) Allow the use of stormwater impact fees, offsets, and phosphorus credit trading within the watershed of the water to which the stormwater discharges or runs off.

\* \* \*

# Sec. 2. REPEALS; SUNSET OF PROPERTY TRANSFER TAX CLEAN WATER SURCHARGE

- (a) 2017 Acts and Resolves No. 85, Sec. I.10 (sunset of clean water surcharge), as amended by 2024 Acts and Resolves No. 181, is repealed.
- (b) 2017 Acts and Resolves No. 85, Sec. I.11(a)(5) (effective date of sunset of clean water surcharge) is repealed.
- Sec. 3. 2017 Acts and Resolves No. 85, Sec. I.1(b) is amended to read:
  - (b) Purpose and intent.

- (1) The purpose of Secs. I.1–I.12 of this act is to promote the development and improvement of housing for Vermonters.
  - (2) It is the intent of the General Assembly:
- (A) to extend the clean water surcharge to provide an interim a source of revenue for addressing water quality issues throughout the State; and
- (B) to continue its work on identifying a long-term funding source or sources that are sufficient in scope and targeted in design to address these water quality issues; and
- (C) once one or more long-term funding sources are identified and enacted, but not later than July 1, 2027, to reduce the amount of the clean water surcharge to 0.04 percent.
- Sec. 4. 2017 Acts and Resolves No. 85, Sec. I.12 is amended to read:

#### Sec. I.12. EFFECTIVE DATES

- (a) Secs. I.1–I.12 shall take effect on July 1, 2017, except that Sec. I.10 (allocating clean water surcharge revenue to Vermont Housing and Conservation Trust Fund) shall take effect on July 1, 2027.
- Sec. 5. 2017 Acts and Resolves No. 85, Sec. I.7(d) is amended to read:
- (d) To compensate for this reduction of available property transfer tax revenue, it is the intent of the General Assembly through this act to provide for the transfer of \$2,500,000.00 to the Vermont Housing and Conservation Trust Fund, as follows:
- (1) Sec. D.100 of this act appropriates \$11,304,840.00 in fiscal year 2018 from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board. Upon the effective date of this act, \$1,500,000.00 shall revert to the Fund, resulting in a fiscal year 2018 total appropriation to the Board of \$9,804,840.00. In fiscal year 2018 only, the amount of \$1,500,000.00 from the Vermont Housing and Conservation Trust Fund shall be transferred to the General Fund.
- (2) As provided in Sec. I.9 of this act, from July 1, 2017 until July 1, 2027, pursuant to 32 V.S.A. § 9602a, the first \$1,000,000.00 in revenue generated by the clean water surcharge of 0.2 0.22 percent shall be transferred to the Vermont Housing and Conservation Trust Fund. In fiscal year 2018 only, the Commissioner shall transfer the amount of \$1,000,000.00 from the Vermont Housing and Conservation Trust Fund to the General Fund.

- (3) After July 1, 2027, pursuant to 32 V.S.A. § 9602a as amended in Sec. I.10 of this act, \$1,000,000.00 in total revenue generated by the clean water surcharge of 0.04 percent shall be transferred to the Vermont Housing and Conservation Trust Fund. [Repealed.]
- (4) As provided in Sec. I.11 of this act, the clean water surcharge will be repealed in its entirety on July 1, 2039. [Repealed.]

Sec. 6. 10 V.S.A. §§ 927 and 928 are amended to read:

## § 927. DEVELOPED LANDS IMPLEMENTATION GRANT PROGRAM

The Secretary shall administer a Developed Lands Implementation Grant Program to provide grants or financing financial assistance to persons who are required to obtain a permit to implement regulatory requirements that are necessary to achieve water quality standards. The grant or financing program shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals. This grant program shall fund or provide financing for projects related to the permitting of impervious surface of three acres or more under subdivision 1264(g)(3) of this title and for a permit renewal under subdivision 1264(h)(2) of this title for a discharge to a stormwater-impaired water that was permitted under an individual permit or a general permit that did not incorporate the requirements of the 2002 Stormwater Management Manual or any subsequently adopted Stormwater Management Manual. Not more than 15 percent of the total grant amount awarded shall be used for administrative costs.

# § 928. MUNICIPAL STORMWATER IMPLEMENTATION GRANT PROGRAM

The Secretary shall administer a Municipal Stormwater Implementation Grant Program to provide grants financial assistance to any municipality required under section 1264 of this title to obtain or seek coverage under the municipal roads general permit, the municipal separate storm sewer systems permit, a permit for impervious surface of three acres or more, or a permit required by the Secretary to reduce the adverse impacts to water quality of a discharge or stormwater runoff. The grant program shall only be available in basins where a clean water service provider has met its annual goals or is making sufficient progress, as determined by the Secretary, towards those goals. Not more than 15 percent of the total grant amount awarded shall be used for administrative costs. This program also shall be available to a municipality to comply with a permit for impervious surface of three acres or more for a residential subdivision when the municipality assumes or has

assumed full legal responsibility for the stormwater system of the residential subdivision under subdivision 1264(c)(7) of this title.

## Sec. 7. 10 V.S.A. § 1389(e) is amended to read:

- (e) Priorities. In making recommendations under subsection (d) of this section regarding the appropriate allocation of funds from the Clean Water Fund, the Board shall prioritize as follows:
- (1) As a first priority, make recommendations regarding funding for the following grants and programs, which shall each be given equal priority:
- (A) grants to clean water service providers to fund the reasonable costs associated with the inspection, verification, operation, and maintenance of clean water projects in a basin;
- (B) the Water Quality Restoration Formula Grant under section 925 of this title;
- (C) the Agency of Agriculture, Food and Markets' agricultural water quality programs; and
- (D) the Water Quality Enhancement Grants under section 926 of this title at a funding level of at least 20 percent of the annual balance of the Clean Water Fund, provided that the maximum amount recommended under this subdivision (D) in any year shall not exceed \$5,000,000.00; and
- (E) funding to partners for basin planning, basin water quality council participation, education, and outreach as provided in subdivision 1253(d)(3) of this title, provided funding shall be at least \$500,000.00.
- (2) As the next priority after reviewing funding requests for programs identified under subdivision (1) of this subsection:
- (A) funding to programs or projects that address or repair riparian conditions that increase the risk of flooding or pose a threat to life or property;
- (B) funding for education and outreach regarding the implementation of water quality requirements, including funding for education, outreach, demonstration, and access to tools for the implementation of the Acceptable Management Practices for Maintaining Water Quality on Logging Jobs in Vermont, as adopted by the Commissioner of Forests, Parks and Recreation;
- (C) funding for the Municipal Stormwater Implementation Grant Program as provided in section 928 of this title, including at least \$1,000,000.00 annually for costs of complying with permitting requirements under subdivision 1264(c)(7) of this title;

- (D) funding for innovative or alternative technologies or practices designed to improve water quality or reduce sources of pollution to surface waters, including funding for innovative nutrient removal technologies and community-based methane digesters that utilize manure, wastewater, and food residuals to produce energy; and
- (E) funding to purchase agricultural land in order to take that land out of practice when the State water quality requirements cannot be remediated through agricultural Best Management Practices.
- (3) As the next priority after reviewing funding requests under subdivisions (1) and (2) of this subsection, funding for the Developed Lands Implementation Grant Program as provided in section 927 of this title.

## Sec. 8. RECOMMENDED APPROPRIATION; PRIORITIES

- (a) Notwithstanding any other provision of law, the Clean Water Board shall recommend \$5,000,000.00 from the Clean Water Fund in fiscal year 2027 to the Municipal Stormwater Implementation Program in 10 V.S.A. § 928 for costs of complying with permitting requirements under 10 V.S.A. § 1264(c)(7), including for residential subdivisions when the municipality assumes full legal responsibility for the stormwater system.
- (b) Before January 1, 2032, the Secretary of Natural Resources shall provide properties subject to the three-acre stormwater permit under 10 V.S.A. § 1264(c)(7) additional priority points when awarding financing under the Municipal Stormwater Implementation Program and under the Developed Lands Implementation Program when residential housing used as primary residences are located on the relevant properties.

# Sec. 9. STORMWATER MANAGEMENT PUBLIC RESOURCE GUIDE

(a) On or before January 1, 2027, the Secretary of Natural Resources shall publish a Public Resource Guide to Stormwater Management that informs persons subject to stormwater operating permits under 10 V.S.A. § 1264 with information and resources related to complying with and paying for stormwater permitting requirements. The Resource Guide shall be user friendly and designed to encourage the public to engage with the Agency of Natural Resources in finding solutions to stormwater permitting needs.

#### (b) The Resource Guide shall:

(1) summarize the statutory requirements for stormwater permits, with specific emphasis on the three-acre stormwater permit required under 10 V.S.A. § 1264(c)(7), including why the permits are required;

- (2) recommend available, practical, cost-effective measures for how persons subject to stormwater permit requirements can address parcel-based issues, including:
- (A) the lack of a homeowner's association to assume permitting responsibility;
- (B) lack of available property to implement stormwater management, including whether and how a person subject to stormwater permits can implement an off-site offset project to comply with permitting requirements; and
- (C) how to address or manage stormwater runoff from other stormwater systems entering stormwater systems subject to permitting;
- (3) recommend resources where funding for compliance with stormwater permitting requirements may be accessed or applied for, including how to apply for financial assistance from the Agency of Natural Resources; and
- (4) provide a contact at the Agency of Natural Resources that can assist persons subject to stormwater permitting by answering questions, providing referrals to creative or alternative solutions for achieving permit compliance, and recommending available financial resources.
- (c) The Secretary of Natural Resources shall submit a copy of the Resource Guide to the Senate Committee on Natural Resources and Energy and the House Committee on Environment. The Secretary shall also make the Resources available free of cost to the public from the Agency's website.
- Sec. 10. 10 V.S.A. § 1389(e)(2)(C) is amended to read:
- (C) funding for the Municipal Stormwater Implementation Program as provided in section 928 of this title, including at least \$1,000,000.00 annually for costs of complying with permitting requirements under subdivision 1264(c)(7) of this title;
- Sec. 11. 24 V.S.A. § 3616 is amended to read:
- § 3616. RENTS; RATES
- (a) A municipal corporation, through its board may establish rates, rents, or charges to be paid as the board may prescribe. The board may establish annual charges separately for bond repayment, fixed operations and maintenance costs and variable operations and maintenance costs dependent on flow.
  - (b) The rates, rents, or charges may be based upon:

- (1) the metered consumption of water on premises connected with the sewer system, however, the board may determine no user will be billed for fixed operations and maintenance costs and bond payment less than the average single-family charge;
- (2) the number of equivalent units connected with or served by the sewage system based upon their estimated flows compared to the estimated flows from a single-family dwelling, however, the board may determine no user will be billed less than the minimum charge determined for the single-family dwelling charge for fixed operations and maintenance costs and bond payment;

\* \* \*

- (6) for groundwater, surface, or stormwater an equivalent residential unit based on an average <u>or median of the</u> area of impervious surface on residential property within the municipality; or
- (7) any combination of these bases, provided the combination is equitable.

\* \* \*

# Sec. 12. STUDY COMMITTEE ON STORMWATER MANAGEMENT AND CREATION OF REGIONAL STORMWATER UTILITY DISTRICTS

- (a) Creation. There is created the Study Committee on the Creation of Regional Stormwater Utility Districts to review the feasibility and benefit of creating regional stormwater utility districts to facilitate implementation and compliance with the water quality laws of the State.
- (b) Membership. The Study Committee shall be composed of the following members:
  - (1) the Commissioner of Environmental Conservation or designee;
- (2) a representative of the Vermont League of Cities and Towns, appointed by the Speaker of the House;
- (3) a representative of a municipality subject to the municipal separate storm sewer system (MS4) permit, appointed by the Committee on Committees;
- (4) a representative of a municipality with a population under 2,500 persons, appointed by the Speaker of the House;
- (5) a representative of the Green Mountain Water Environment Association, appointed by the Speaker of the House;

- (6) a commercial or industrial business owner subject to the three-acre stormwater permit or other stormwater requirements, appointed by the Committee on Committees;
- (7) a representative of an environmental advocacy organization, appointed by the Speaker of the House; and
- (8) a representative of a regional planning commission, appointed by the Committee on Committees.
- (c) Powers and duties. The Study Committee shall review the feasibility of establishing regional stormwater utility districts in the State. The Study Committee shall:
- (1) review current statutory authority for the development of regional stormwater utility districts comprised of multiple municipalities, including identifying any potential disincentives or obstacles to utility formation;
- (2) propose an approach the State could use for implementing a regional stormwater utility that would allow the utilities to assume liability and responsibility for compliance with water quality laws, including how a utility could assume responsibility for:
- (A) securing the permitting of properties subject to the three-acre stormwater permit; and
- (B) achieving the phosphorus reduction targets for the three-acre stormwater permitted properties within the utility district;
- (3) review and recommend cost-effective and equitable approaches for regional level revenue raising and distribution of project funding for the purpose of stormwater controls to meet total maximum daily load plans (TMDLs) including:
- (A) consider prior revenue-raising recommendations made in the 2017 Clean Water Report from the Office of the State Treasurer;
- (B) recommend whether and how to authorize a regional stormwater utility to assess fees or charges to all landowners, residents, and businesses within the regional stormwater utility district for the purpose of stormwater controls to meet TMDLs;
- (C) propose how a regional stormwater utility district could be eligible for Clean Water State Revolving Loan Fund awards and access Statelevel financial assistance for the design, construction, and operation and maintenance of regulatory and nonregulatory stormwater systems, including from the Clean Water State Revolving Loan Fund;

- (D) recommend whether and how a regional stormwater utility can allocate resources and cost-effectively and equitably achieve pollutant reduction measures that are not fully achieved by regulated sites, as might be articulated in a regional stormwater management plan; and
- (E) recommend whether and how a regional stormwater utility could improve the management of parcel-based issues in a more cost-effective and equitable manner, such as how a regional utility could address regulation of stormwater systems lacking a homeowners' association or other accountable entity or how a regional utility could improve management of upstream properties that drain into stormwater systems subject to permitting;
- (4) recommend whether stormwater permitting for municipalities or others could be streamlined to improve the application process, permit renewal, or fee requirements;
- (5) propose how statute should be amended to implement any of the recommendations of the Study Committee, including stormwater management planning for purposes of overall regional phosphorus pollutant reductions; and
- (6) estimate a cost to operate proposed regional stormwater utility districts.
- (d) Assistance. The Study Committee shall have the administrative, technical, and legal assistance of the Department of Environmental Conservation.
- (e) Report. On or before January 15, 2027, the Study Committee shall submit a written report to the House Committees on Environment and on Government Operations and Military Affairs and the Senate Committees on Natural Resources and Energy and on Government Operations with its findings and any recommendations for legislative action.

# (f) Meetings.

- (1) The Commissioner of Environmental Conservation or designee shall call the first meeting of the Study Committee.
- (2) The Commissioner of Environmental Conservation or designee shall be the Chair.
  - (3) A majority of the membership shall constitute a quorum.
  - (4) The Study Committee shall cease to exist on March 1, 2027.
- (g) Compensation and reimbursement. Members of the Study Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These

payments shall be made from monies appropriated to the Agency of Natural Resources.

#### Sec. 13. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that Sec. 10 (future Clean Water Fund priorities) shall take effect October 1, 2032.

(Committee vote: 5-0-0)

(No House Amendments)

# Reported favorably by Senator Beck for the Committee on Finance.

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.

(Committee vote: 7-0-0)

#### H. 494.

An act relating to capital construction and State bonding.

# Reported favorably with recommendation of proposal of amendment by Senator Harrison for the Committee on Institutions.

The Committee recommends that the Senate propose to the House to amend the bill as follows:

<u>First</u>: In Sec. 1, legislative intent, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) It is the intent of the General Assembly that of the \$111,965,288.44 authorized in this act, not more than \$62,314,761.44 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

<u>Second</u>: By striking out Sec. 2, State buildings, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

#### Sec. 2. STATE BUILDINGS

- (a) The following sums are appropriated to the Department of Buildings and General Services, and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions are notified before that action is taken.
  - (b) The following sums are appropriated in FY 2026:

(1) Statewide, major maintenance:	\$7,138,401.00
(2) Statewide, three-acre parcel stormwater compliance:	\$1,500,000.00
(3) Statewide, Art in State Buildings Program:	\$75,000.00
(4) Rutland, Asa Bloomer Building roof repair and upgrades:	sewage system \$1,500,000.00
(5) Rutland, multimodal garage renovation:	<u>\$600,000.00</u>
(6) Middlesex, Print and Postal uninterruptable power	<u>supply upgrade:</u> <u>\$58,279.44</u>
(7) Waterbury, State Office Complex historic core ro	<u>\$2,000,000.00</u>
(8) Burlington, 32 Cherry St. parking garage repairs:	\$1,500,000.00
(c) The following sums are appropriated in FY 2027:	
(1) Statewide, major maintenance:	\$8,500,000.00
(2) Statewide, planning, reuse, and contingency:	\$250,000.00
(3) Statewide, physical security enhancements:	\$250,000.00
(4) Statewide, three-acre parcel stormwater compliance:	\$850,000.00
(5) Statewide, Art in State Buildings Program:	\$75,000.00
(6) Montpelier, State House replacement of historic	interior finishes: \$50,000.00
(7) Montpelier, 120 State Street HVAC - steam	
renovation:	\$2,000,000.00
(8) Middlesex, Vermont State Archives roof rep building:	lacement, main \$1,000,000.00
(9) Waterbury, State Office Complex historic core re	<u>\$2,000,000.00</u>
(10) Burlington, 32 Cherry St. parking garage repairs:	
	<u>\$250,000.00</u>
<u>Appropriation – FY 2026</u>	\$14,371,680.44
Appropriation – FY 2027	\$15,225,000.00
<u>Total Appropriation – Section 2</u>	\$29,596,680.44

<u>Third</u>: By striking out Sec. 4, commerce and community development, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

#### Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

(a) The following sums are appropriated in FY 2026 to the Agency of Commerce and Community Development for the following projects:

(1) Major maintenance at statewide historic sites: \$550,000.00

(2) Vermont Underwater Historic Preserves: \$46,000.00

(3) Roadside historic site markers: \$25,000.00

- (4) Bennington, Battle Monument, maintenance of safety fencing, restoration, planning, and design: \$425,000.00
- (b) The following sums are appropriated in FY 2027 to the Agency of Commerce and Community Development for the following projects:

(1) Major maintenance at statewide historic sites: \$550,000.00

(2) Vermont Underwater Historic Preserves: \$46,000.00

(3) Roadside historic site markers: \$25,000.00

Appropriation – FY 2026 \$1,046,000.00

Appropriation – FY 2027 \$621,000.00

Total Appropriation – Section 4 \$1,667,000.00

<u>Fourth</u>: By striking out Sec. 5, grant programs, in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

### Sec. 5. GRANT PROGRAMS

- (a) The following sums are appropriated in FY 2026 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development,

  Division for Historic Preservation, for the Historic Preservation Grant

  Program: \$250,000.00
- (2) To the Agency of Commerce and Community Development,

  <u>Division for Historic Preservation, for the Historic Barns Preservation Grant</u>

  Program: \$250,000.00
- (3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$250,000.00

- (4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$250,000.00
- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program: \$250,000.00
- (6) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$250,000.00
- (7) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program: \$300,000.00
- (b) The following sums are appropriated in FY 2027 for the Building Communities Grants established in 24 V.S.A. chapter 137:
- (1) To the Agency of Commerce and Community Development,

  Division for Historic Preservation, for the Historic Preservation Grant

  Program: \$300,000.00
- (2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program: \$300,000.00
- (3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

\$300,000.00

- (4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: \$300,000.00
- (5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program: \$300,000.00
- (6) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: \$300,000.00
- (7) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program: \$300,000.00
- (c) It is the intent of the General Assembly that the sums appropriated in subdivisions (a)(5) and (b)(5) of this section be equally allocated between grants for human services and grants for educational facilities.

Appropriation – FY 2026

\$1,800,000.00

Appropriation – FY 2027

\$2,100,000.00

<u>Total Appropriation – Section 5</u>

\$3,900,000.00

<u>Fifth</u>: By striking out Sec. 14, judiciary, in its entirety and inserting in lieu thereof a new Sec. 14 to read as follows:

### Sec. 14. JUDICIARY

- (a) The following sums are appropriated in FY 2026 to the Judiciary for the following projects:
- (1) Woodstock Courthouse, purchase and installation of backup power system: \$100,000.00
  - (2) Essex County Courthouse, connector and security upgrades: \$3,685,910.00
- (3) Lamoille County Courthouse, purchase and installation of backup power system: \$190,000.00
- (b) The sum of \$1,100,000.00 is appropriated in FY 2026 to the Department of Buildings and General Services for the Judiciary for renovations at the Windsor County Courthouse in White River Junction.

Appropriation – FY 2026

\$5,075,910.00

Total Appropriation – Section 14

\$5,075,910.00

<u>Sixth</u>: In Sec. 19, FY 2026 and 2027; capital projects; FY 2026 appropriations act; intent; authorizations, by striking out subsection (c) and inserting in lieu thereof a new subsection (c) to read as follows:

- (c) Authorizations; Capital Infrastructure subaccount. In FY 2026, spending authority for the following capital projects from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments are authorized as follows:
- (1) to the Department of Buildings and General Services for statewide major maintenance: \$861,599.00
- (2) to the Department of Buildings and General Services for statewide planning, reuse, and contingency: \$250,000.00
- (3) to the Department of Buildings and General Services for statewide physical security enhancements: \$250,000.00
- (4) to the Department of Buildings and General Services for State House repointing: \$219,500.00

- (5) to the Department of Buildings and General Services for an uninterruptable power supply system for the Middlesex print and postal facility:

  \$250,000.00\$
- (6) to the Department of Buildings and General Services for the Judiciary for renovations at the Windsor County Courthouse in White River Junction:

  \$6,900,000.00
- (7) to the Vermont Veterans' Home for the design and construction of the American unit: \$1,500,000.00
- (8) to the Agency of Agriculture, Food and Markets for the Bennington Veterans Incubator Farm at the Vermont Veterans' Home: \$45,000.00
- (9) to the Department of Housing and Community Development for Bennington, high school redevelopment housing infrastructure: \$1,100,000.00
- (10) to the Department of Housing and Community Development for Barre, Prospect Heights housing infrastructure: \$1,000,000.00
- (11) to the Department of Housing and Community Development for Brattleboro, Winston Prouty Center housing infrastructure: \$1,000,000.00
- (12) to the Department of Housing and Community Development for a grant to the Central Vermont Regional Planning Commission to support a site study focused on economic development, parking, housing, and flood mitigation for the 1.6-acre parcel at 87 State Street and parcels at 89 State Street and 42 Court Street:

  \$100,000.00
- (13) to the Department of Housing and Community Development for a competitive grant to establish a new recovery residence, per the criteria of the Vermont Recovery Housing Program Action Plan: \$250,000.00
- (14) to the Department of Forests, Parks and Recreation for the purchase of a fire apparatus: \$275,000.00
- (15) to the Department of Fish and Wildlife for the Lake Champlain Walleye Association, Inc. to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: \$25,000.00
- (16) to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program: \$35,000.00

Seventh: By adding a new section to be Sec. 22a to read as follows:

Sec. 22a. CASH FUND; JOINT FISCAL OFFICE; REPORT

On or before December 15, 2025, the Joint Fiscal Office shall submit a report to the Senate Committee on Institutions and the House Committee on

Corrections and Institutions on considerations for use of the Cash Fund for Capital and Essential Investments under 32 V.S.A. § 1001b that:

- (1) provides the historical context, including the economic rationale, for the Cash Fund;
- (2) compares financial management practices for expenditures made through cash and through bonded dollars, including long-term financial impacts;
- (3) distinguishes between the intended uses of the Capital Infrastructure subaccount and the Other Infrastructure, Essential Investments, and Reserves subaccount:
  - (4) describes, for each year since the Cash Fund's inception:
    - (A) the sources of funds; and
- (B) the annual expenditures from the Capital Infrastructure subaccount; and
- (5) outlines the current legislative process by which appropriations are made from the Cash Fund.

(Committee vote: 5-0-0)

# 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 Institutions.

(Committee vote: 7-0-0)

#### **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** #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]

**JFO** #3250: \$391,666.00 to the Vermont Agency of Natural Resources, Department of Forests, Parks and Recreation from the Northern Border Regional Commission. Funds will support the Vermont Outdoor Recreation Economic Collaboration (VOREC) Program Director as well as VOREC initiatives.

[Received April 11, 2025]

**JFO** #3251: \$50,000.00 to the Agency of Human Services, Central Office from the National Governor's Association. The funds will support state-side improvements of service-to-career pathways, with a focus on emergency responders.

[Received April 11, 2025]

JFO #3252: \$10,000,000.00 to the Vermont Department of Libraries from the U.S. Department of Housing and Urban Development. The Public Facilities Preservation Initiative grant will provide smaller grants to rural libraries for the completion of necessary capital improvement projects.

[Received April 11, 2025]

# FOR INFORMATION ONLY <u>CROSSOVER DATES</u>

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).