Senate Calendar

TUESDAY, MAY 27, 2025

SENATE CONVENES AT: 10:00 A.M.

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UNFINISHED BUSINESS OF FRIDAY, MAY 16, 2025

Third Reading

H. 50.

An act relating to identifying underutilized State buildings and land.

Proposal of amendment to H. 50 to be offered by Senators Douglass, Harrison, Ingalls, Major, Plunkett and Watson before Third Reading

Senators Douglass, Harrison, Ingalls, Major, Plunkett and Watson move to amend the Senate proposal of amendment by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) The head of each agency shall prepare and forward to the Commissioner of Buildings and General Services ~~when requested by the Commissioner~~ annually in a format prescribed by the Commissioner an inventory of~~:~~ square footage available for use; square footage in actual use; square footage not in use; square footage used for storage; square footage that is unfinished; cost per square foot for rent; cost per square foot for operation and maintenance; and the source of funds for rent, operation, and maintenance, including the act and section numbers of a legislative directive if applicable. The head of each agency shall additionally indicate in its inventory in a format prescribed by the Commissioner whether any building is vacant and whether any land is unnecessary for the statutory purpose of the agency.

UNFINISHED BUSINESS OF FRIDAY, MAY 23, 2025

Second Reading

Favorable with Proposal of Amendment

H. 319.

An act relating to miscellaneous environmental subjects.

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:

* * * Battery Extended Producer Responsibility * * *

Sec. 1. 2024 Acts and Resolves No. 152, Sec. 3 is amended to read:

Sec. 3. ANR BATTERY ASSESSMENT

(a) On or before July 1, ~~2026, the Secretary of Natural Resources~~ 2027, the stewardship organization formed pursuant to 10 V.S.A. chapter 168 shall complete an assessment of the opportunities, challenges, and feasibility of establishing mandatory end-of-life management programs for the following battery types:

(1) batteries used in hybrid and electric vehicles;

(2) battery energy storage systems; and

(3) batteries that are not easily removable from the products they power.

(b) The assessment required by this section shall include:

(1) a summary of the work and progress other states have made in establishing end-of-life management programs for the three battery types listed under subsection (a) of this section; and

(2) policy recommendations on whether mandatory end-of-life management programs are necessary for the battery types listed under subsection (a) of this section.

(c) The assessment required by this section shall be provided to the Secretary of Natural Resources, the House Committee on Environment ~~and Energy,~~ and the Senate Committee on Natural Resources and Energy.

* * * Fuel Storage Tanks * * *

Sec. 2. 10 V.S.A. § 1927(d) is amended to read:

(d) No person shall deliver a regulated substance to a category one tank that is ~~visibly~~ designated by the Agency as not having a valid permit or not meeting standards adopted by the Secretary ~~related to corrosion protection, spill prevention, leak detection, financial responsibility, or overfill protection~~ that may result in the tank releasing a regulated substance to the environment.

* * * Household Hazardous Waste Extended Producer Responsibility * * *

Sec. 3. 10 V.S.A. § 7181 is amended to read:

§ 7181. DEFINITIONS

As used in this chapter:

* * *

(4)(A) "Covered household hazardous product" means a consumer product offered for retail sale that is contained in the receptacle in which the

product is offered for retail sale, if the product has any of the following characteristics:

(i) the product or a component of the product is a hazardous waste under subchapter 2 of the Vermont Hazardous Waste Management Regulations, regardless of the status of the generator of the hazardous waste; or

(ii) the product is a gas cylinder.

(B) "Covered household hazardous product" does not mean any of the following:

* * *

(iv) ~~architectural paint~~ paint products as that term is defined in section 6672 of this title;

* * *

Sec. 4. 10 V.S.A. § 7182 is amended to read:

§ 7182. SALE OF COVERED HOUSEHOLD HAZARDOUS PRODUCTS; STEWARDSHIP ORGANIZATION REGISTRATION; MANUFACTURER REGISTRATION

(a) Sale prohibited.

(1) A manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product without registering with the stewardship organization pursuant to subsection (c) of this section.

(2) Beginning six months after a final decision on the adequacy of a collection plan by the Secretary, a manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product unless all the following have been met:

~~(1)~~(A) The manufacturer is participating in a stewardship organization implementing an approved collection plan.

~~(2)~~(B) The name of the manufacturer, the manufacturer's brand, and the name of the covered household hazardous product are submitted to the Agency of Natural Resources by a stewardship organization and listed on the stewardship organization's website as covered by an approved collection plan.

~~(3)~~(C) The stewardship organization in which the manufacturer participates has submitted an annual report consistent with the requirements of section 7185 of this title.

~~(4)~~(D) The stewardship organization in which the manufacturer participates has conducted a plan audit consistent with the requirements of subsection 7185(b) of this title.

(b) Stewardship organization registration requirements.

(1) On or before July 1, 2025 ~~and annually thereafter~~, a stewardship organization shall file a registration form with the Secretary. The Secretary shall provide the registration form to the stewardship organization. The registration form shall include:

(A) ~~a list of the manufacturers participating in the stewardship organization;~~

~~(B) a list of the brands of each manufacturer participating in the stewardship organization;~~

~~(C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;~~

~~(D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;~~

~~(E)~~ a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and

~~(F)~~(B) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.

(2) ~~A renewal of a registration without changes may be accomplished through notifying the Agency of Natural Resources on a form provided by the Agency~~ Beginning on July 1, 2026 and annually thereafter, a stewardship organization shall renew its registration with the Secretary. A renewal registration shall include the following:

(A) a list of the manufacturers participating in the stewardship organization;

(B) a list of the brands of each manufacturer participating in the stewardship organization;

(C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;

(D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;

(E) a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and

(F) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.

(c) Manufacturer registration. On or before November 1, 2025, a manufacturer of a covered household hazardous product shall register with the stewardship organization in a manner proscribed by the stewardship organization.

Sec. 5. 10 V.S.A. § 7183 is amended to read:

§ 7183. COLLECTION PLANS

(a) Collection plan required. ~~Prior to July 1, 2025~~ On or before July 1, 2026, any stewardship organization registered with the Secretary as representing manufacturers of covered household hazardous products shall coordinate and submit to the Secretary for review one collection plan for all manufacturers.

(b) Collection plan; minimum requirements. ~~Each collection plan shall include, at a minimum, all of the following requirements:~~

(1) Initial plan. The initial plan shall last for a period not to exceed three years and contain, at a minimum, the following requirements:

(A) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.

~~(2)~~(B) Free statewide collection of covered household hazardous products. The collection program shall ~~provide~~ reimburse municipalities when a municipality provides for free, convenient, and accessible ~~statewide~~ opportunities for the collection from covered entities of covered household hazardous products, including orphan covered products. ~~A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement.~~ The collection program shall also provide for the payment of collection, processing, and end-

of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

~~(3) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household hazardous waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.~~

~~(4) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the first year of program implementation and two years after adoption of the collection plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:~~

~~(A) that there is a free collection program for covered household hazardous products;~~

~~(B) the location and hours of operation of collection points and how a covered entity can access this collection program;~~

~~(C) the special handling considerations associated with covered household hazardous products; and~~

~~(D) source reduction information for consumers to reduce leftover covered household products.~~

~~(5) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered household hazardous products or for the collection plan of the manufacturer.~~

~~(6) Method of disposition. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.~~

~~(7) Performance goals. A collection plan shall include:~~

~~(A) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.~~

~~(B) At a minimum, the collection performance goal for the first approved plan shall be an annual participation rate of five percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities~~

~~implemented under an approved plan on the basis of achievement of program performance goals.~~

~~(8)~~(C) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of ~~the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product~~ all municipal collection offered to the public in a base program year. A base program year shall be based on the services provided in calendar year 2024 and any other collection facilities or events approved by the Secretary. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials. The collection plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.

(2) Subsequent plans. After the expiration of the initial plan approved by the Secretary, the collection plan shall include, at a minimum, the following:

(A) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.

(B) Free statewide collection of covered household hazardous products. The collection program shall provide for free, convenient, and accessible statewide opportunities for the collection from covered entities of covered household hazardous products, including orphan covered products. A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement. The collection program shall also provide for the payment of collection, processing, and end-of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

(C) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household

hazardous waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.

(D) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the second approved plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision (D) and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:

(i) that there is a free collection program for covered household hazardous products;

(ii) the location and hours of operation of collection points and how a covered entity can access this collection program;

(iii) the special handling considerations associated with covered household hazardous products; and

(iv) source reduction information for consumers to reduce leftover covered household products.

(E) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered household hazardous products or for the collection plan of the manufacturer.

(F) Method of management. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.

(G) Performance goals. A collection plan shall include:

(i) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.

(ii) At a minimum, the collection performance goal for the initial plan approved pursuant to subdivision (1) of this subsection (b) shall be an annual participation rate of seven percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities implemented under an approved plan on the basis of achievement of program performance goals.

(H) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials. The collection

plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.

(c) Term of collection plan. A collection plan approved by the Secretary under section 7187 of this title shall have a term not to exceed five years, provided that the stewardship organization remains in compliance with the requirements of this chapter and the terms of the approved collection plan.

(d) Collection plan implementation. Stewardship organizations shall implement the collection plan on or before six months after the date of a final decision by the Secretary on the adequacy of the collection plan.

Sec. 6. 10 V.S.A. § 7184 is amended to read:

§ 7184. STEWARDSHIP ORGANIZATIONS

(a) Participation in a stewardship organization. A manufacturer shall meet the requirements of this chapter by participating in a stewardship organization that undertakes the responsibilities under sections 7182, 7183, and 7185 of this title.

(b) Qualifications for a stewardship organization. To qualify as a stewardship organization under this chapter, an organization shall:

(1) commit to assume the responsibilities, obligations, and liabilities of all manufacturers participating in the stewardship organization;

(2) not create unreasonable barriers for participation in the stewardship organization; and

(3) maintain a public website that lists all manufacturers and manufacturers' brands and products covered by the stewardship organization's approved collection plan.

(c) A stewardship organization is authorized to charge its members reasonable fees for the organization, administration, and implementation of the programs required by this chapter.

Sec. 7. 10 V.S.A. § 7187 is amended to read:

§ 7187. AGENCY RESPONSIBILITIES

(a) Review and approve collection plans. The Secretary shall review and approve or deny collection plans submitted under section 7183 of this title according to the public notice and comment requirements of section 7714 of this title.

* * *

(g) Agency collection plan. If no stewardship organization is formed on or before July 1, 2025 or the stewardship organization fails to submit a plan or submits a plan that does not meet the requirements of this chapter, the Secretary shall adopt and administer a plan that meets the requirements of section 7183 of this title. If the Secretary administers the plan adopted under section 7183, the Secretary shall charge each manufacturer the prorated costs of plan administration, the Agency's oversight costs, and an additional hazardous waste reduction assessment of 10 percent of the plan's total cost to be deposited in the Solid Waste Management Assistance Account of the Waste Management Assistance Fund, for the purpose of providing grants to municipalities and small businesses to prevent pollution and reduce the generation of hazardous waste in the State. When determining a manufacturer's assessment under this section, the Agency may allocate costs to a manufacturer of covered household hazardous products based on the sales of covered household hazardous products nationally prorated to the population of Vermont.

Sec. 8. 10 V.S.A. § 6621a is amended to read:

§ 6621a. LANDFILL DISPOSAL REQUIREMENTS

(a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:

* * *

(12) Covered household hazardous products after July 1, ~~2025~~ 2026.

* * *

Sec. 9. SOLID WASTE PLAN; FLEXIBILITY

(a) Notwithstanding the municipal household hazardous waste (HHW) collection requirements under the State Solid Waste Plan adopted pursuant to 10 V.S.A. § 6604, the Secretary of Natural Resources may grant a variance from the requirement to conduct at least two household hazardous waste collection events in that municipality. The variance shall allow a municipality to meet its obligations, as follows:

(1) the municipality has partnered with another municipality to allow its residents the ability to access a permanent HHW facility in the same manner as the municipality that operates the permanent HHW facility;

(2) the municipality has partnered with a nearby municipality to offer collection events to members in both municipalities; or

(3) the municipality has demonstrated that it has made reasonable efforts to provide alternate collection opportunities identified under

subdivisions (1) and (2) of this subsection and was unable and that the cost of a collection event is unreasonable. In such circumstances the Secretary of Natural Resources may reduce the required collection events to one per year.

(b) This section shall be repealed on July 1, 2027.

* * * Paint Product Stewardship Program * * *

Sec. 10. 10 V.S.A. chapter 159, subchapter 4 is amended to read:

Subchapter 4. Paint Product Stewardship Program

§ 6671. PURPOSE

The purpose of this subchapter is to establish an environmentally sound, cost-effective Paint Product Stewardship Program in the State that will undertake responsibility for the development and implementation of strategies to reduce the generation of postconsumer paint; promote the reuse of postconsumer paint; and collect, transport, and process postconsumer paint, including reuse, recycling, energy recovery, and disposal. The Paint Product Stewardship Program will follow the waste management hierarchy for managing and reducing postconsumer paint in the order as follows: reduce consumer generation of postconsumer paint, reuse, recycle, provide for energy recovery, and dispose. The Paint Product Stewardship Program will provide more opportunities for consumers to manage properly their postconsumer paint, provide fiscal relief for local government in managing postconsumer paint, keep paint out of the waste stream, and conserve natural resources.

§ 6672. DEFINITIONS

As used in this subchapter:

(1) "Aerosol coating product" means a pressurized coating product containing pigments or resins dispensed by means of a propellant and packaged and sold in a disposable aerosol container for handheld application, or for use in specialized equipment for ground traffic or marking applications.

(2) "Architectural paint" means interior and exterior architectural coatings, including interior or exterior water- and oil-based coatings, primers, sealers, or wood coatings, that are sold in containers of five gallons or less. "Architectural paint" does not mean industrial coatings, original equipment coatings, or specialty coatings.

(3) "Coating-related product" means a product used as a paint additive, paint thinner, paint colorant, paint remover, surface sealant, surface preparation, or surface adhesive, and sold for home improvement. "Coating-related product" does not mean original equipment manufacturer products or industrial products.

~~(2)~~(4) "Distributor" means a company that has a contractual relationship with one or more producers to market and sell ~~architectural~~ paint to retailers in Vermont.

~~(3)~~(5) "Energy recovery" means recovery in which all or a part of the solid waste materials are processed in order to use the heat content or other forms of energy of or from the material.

~~(4)~~(6) "Environmentally sound management practices" means policies to be implemented by a producer or a stewardship organization to ensure compliance with all applicable laws and also addressing such issues as adequate record keeping, tracking and documenting the fate of materials within the State and beyond, and adequate environmental liability coverage for professional services and for the operations of the contractors working on behalf of the producer organization.

~~(5)~~(7) "Municipality" means a city, town, or a village.

~~(6) "Paint stewardship assessment" means a one-time charge that is:~~

~~(A) added to the purchase price of architectural paint sold in Vermont;~~

~~(B) passed from the producer to the wholesale purchaser to the retailer and then to a retail consumer; and~~

~~(C) necessary to cover the cost of collecting, transporting, and processing the postconsumer paint managed through the statewide Program.~~

(8) "Nonindustrial coating" means arts and crafts paint, automotive refinish paint, driveway sealer, faux finish or glaze, furniture oil, furniture paint, lime wash, lime paint, marine paint, antifouling paint, road and traffic marking paint, two-component paint, wood preservative, fire retardant paint, dry fog paint, chalkboard paint, and conductive paint, sold in containers of five gallons or less for commercial and homeowner use, but does not include coatings purchased for industrial or original equipment manufacturer use.

(9)(A) "Paint product" includes:

(i) architectural paint;

(ii) aerosol coating products;

(iii) coating-related products; and

(iv) nonindustrial coatings.

(B) "Paint product" does not include a health and beauty product.

~~(7)~~(10) "Postconsumer paint" means ~~architectural~~ a paint product and its containers not used and no longer wanted by a purchaser.

~~(8)~~(11) "Producer" means a manufacturer of ~~architectural~~ paint products who sells, offers for sale, or distributes that paint in Vermont under the producer's own name or brand.

~~(9)~~(12) "Recycling" means any process by which discarded products, components, and by-products are transformed into new usable or marketable materials in a manner in which the original products may lose their identity but does not include energy recovery or energy generation by means of combusting discarded products, components, and by-products with or without other waste products.

~~(10)~~(13) "Retailer" means any person that offers ~~architectural~~ a paint product for sale at retail in Vermont.

~~(11)~~(14) "Reuse" means the return of a product into the economic stream for use in the same kind of application as originally intended, without a change in the product's identity.

~~(12)~~(15) "Secretary" means the Secretary of Natural Resources.

~~(13)~~(16) "Sell" or "sale" means any transfer of title for consideration, including remote sales conducted through sales outlets, catalogues, or the ~~Internet~~ internet or any other similar electronic means.

~~(14)~~(17) "Stewardship organization" means a nonprofit corporation or nonprofit organization created by a producer or group of producers to implement the Paint Product Stewardship Program required under this subchapter.

§ 6673. PAINT PRODUCT STEWARDSHIP PROGRAM

(a) A producer or a stewardship organization representing producers shall submit ~~a~~ an amended plan for the establishment of a Paint Product Stewardship Program to the Secretary for approval ~~by December 1, 2013~~. The plan shall address the following:

(1) Provide a list of participating producers and brands covered by the Program.

(2) Provide specific information on the ~~architectural~~ paint products covered under the Program, such as interior or exterior water- and oil-based coatings, primers, sealers, or wood coatings.

(3) Describe how the Program proposed under the plan will collect, transport, recycle, and process postconsumer paint products for end-of-life

management, including recycling, energy recovery, and disposal, using environmentally sound management practices.

(4) Describe the Program and how it will provide for convenient and available statewide collection of postconsumer ~~architectural~~ paint products in urban and rural areas of the State. The producer or stewardship organization shall use the existing household hazardous waste collection infrastructure when selecting collection points for postconsumer ~~architectural~~ paint products. A paint retailer shall be authorized as a paint collection point of postconsumer architectural paint for a Paint Product Stewardship Program if the paint retailer volunteers to act as a ~~paint~~ collection point and complies with all applicable laws, rules, and regulations.

(5) Provide geographic information modeling to determine the number and distribution of sites for collection of postconsumer architectural paint based on the following criteria:

(A) at least 90 percent of Vermont residents shall have a permanent collection site within a 15-mile radius; and

(B) one additional permanent site will be established for every 10,000 residents of a municipality and additional sites shall be distributed to provide convenient and reasonably equitable access for residents within each municipality, unless otherwise approved by the Secretary.

(6) Establish goals to reduce the generation of postconsumer paint products, to promote the reuse of postconsumer paint products, and for the proper management of postconsumer paint products as practical based on current household hazardous waste program information. The goals may be revised by the producer or stewardship organization based on the information collected for the annual report.

(7) Describe how postconsumer paint products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of paint under the Program shall use management activities that promote source reduction, reuse, recycling, energy recovery, and disposal.

(8) Describe education and outreach efforts to inform consumers of collection opportunities for postconsumer paint products and to promote the source reduction and recycling of ~~architectural~~ paint products for each of the following: consumers, contractors, and retailers.

(b) The producer or stewardship organization shall submit a budget for the Program proposed under subsection (a) of this section, and for any amendment to the plan that would affect the Program's costs. The budget shall include a

funding mechanism under which each ~~architectural~~ paint product producer remits to a stewardship organization payment of a paint product stewardship assessment for each ~~container of architectural paint~~ product it sells in this State. Prior to submitting the proposed budget and assessment to the Secretary, the producer or stewardship organization shall provide the budget and assessment to a third-party auditor agreed upon by the Secretary. The third-party auditor shall provide a recommendation as to whether the proposed budget and assessment is cost-effective, reasonable, and limited to covering the cost of the Program. The paint product stewardship assessment shall be added to the cost of all ~~architectural~~ paint products sold in Vermont. To ensure that the funding mechanism is equitable and sustainable, a uniform paint product stewardship assessment shall be established for all ~~architectural~~ paint products sold. The paint stewardship assessment shall be ~~approved by the Secretary and shall be sufficient to recover, but not exceed, the costs of the Paint Stewardship Program~~ the amount established in section 6681 of this title.

(c) ~~Beginning no later than July 1, 2014, or three~~ Six months after approval of the plan for a Paint Product Stewardship Program required under subsection (a) of this section, ~~whichever occurs later,~~ a producer of ~~architectural~~ paint products sold at retail or a stewardship organization of which a producer is a member shall implement the approved plan for a Paint Product Stewardship Program.

(d) A producer or a stewardship organization of which a producer is a member shall promote a Paint Product Stewardship Program and provide consumers with educational and informational materials describing collection opportunities for postconsumer paint products Statewide and promotion of waste prevention, reuse, and recycling. The educational and informational program shall make consumers aware that the funding for the operation of the Paint Product Stewardship Program has been added to the purchase price of all ~~architectural~~ paint products sold in the State.

(e) A plan approved under this section shall provide for collection of postconsumer ~~architectural~~ paint at no cost to the person from whom the ~~architectural~~ paint product is collected. The program plan also shall provide for the payment of municipalities for collection, processing, and end-of-life management of aerosol coating products, coating-related products, and nonindustrial coatings contained in the receptacle in which the product is offered for retail sale. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

(f) When a plan or amendment to an approved plan is submitted under this section, the Secretary shall make the proposed plan or amendment available for public review and comment for at least 30 days.

(g) A producer or paint stewardship organization shall submit to the Secretary for review, in the same manner as required under subsection 6675(a) of this title, an amendment to an approved plan when there is:

(1) ~~a change to a paint stewardship assessment under the plan;~~

~~(2)~~ an addition to or removal of a category of products covered under the Program; or

~~(3)~~(2) a revision of the product stewardship organization's goals.

(h) A plan approved by the Secretary under section 6675 of this title shall have a term not to exceed five years, provided that the producer remains in compliance with the requirements of this chapter and the terms of the approved plan.

(i) In addition to the requirements specified in subsection (a) of this section, a stewardship organization shall notify the Secretary in writing within 30 days ~~of~~ after any change to:

(1) the number of collection sites for postconsumer ~~architectural~~ paint products identified under this section as part of the plan;

(2) the producers identified under this section as part of the plan;

(3) the brands of ~~architectural~~ paint products identified under this section as part of the plan; and

(4) the processors that manage postconsumer ~~architectural~~ paint products identified under this section as part of the plan.

(j) Upon submission of a plan to the Secretary under this section, a producer or a stewardship organization shall pay the fee required by 3 V.S.A. § 2822(j)(31). Thereafter, the producer or stewardship organization shall pay the fee required by 3 V.S.A. § 2822(j)(31) annually ~~by~~ on or before July 1 of each year.

§ 6674. RETAILER RESPONSIBILITY

(a) A producer or retailer may not sell or offer for sale ~~architectural~~ a paint product to any person in Vermont unless the producer ~~of that architectural paint brand~~ or a stewardship program ~~of which the producer of that architectural paint brand is a member~~ that the producer is a member of is implementing an approved plan for a Paint Product Stewardship Program as required by section 6673 of this title. A retailer complies with the

requirements of this section if, on the date the ~~architectural~~ paint product was ordered from the producer or its agent, the producer or paint brand is listed on the Agency of Natural Resources' website as a producer or brand participating in an approved plan for a Paint Product Stewardship Program.

(b) At the time of sale to a consumer, a producer, a stewardship organization, or a retailer selling or offering ~~architectural~~ paint products for sale shall provide the consumer with information regarding available management options for postconsumer paint products collected through the Paint Product Stewardship Program or a brand of paint being sold under the Program.

§ 6675. AGENCY RESPONSIBILITY

(a)(1) Within 90 days ~~of~~ after receipt of a plan submitted under section 6673 of this title, the Secretary shall review the plan and make a determination whether or not to approve the plan. The Secretary shall issue a letter of approval for a submitted plan if:

(A) the submitted plan provides for the establishment of a Paint Product Stewardship Program that meets the requirements of subsection 6673(a) of this subchapter; and

(B) the Secretary determines that the plan:

(i) achieves convenient collection for consumers;

(ii) educates the public on proper paint product management; and

(iii) manages waste paint products in a manner that is environmentally safe and promotes reuse and recycling~~; and~~

~~(iv) is cost-effective~~.

(2) If the Secretary does not approve a submitted plan, the Secretary shall issue to the paint product stewardship organization a letter listing the reasons for the disapproval of the plan. If the Secretary disapproves a plan, a paint product stewardship organization intending to sell or continue to sell ~~architectural~~ paint products in the State shall submit a new plan within 60 days ~~of~~ after receipt of the letter of disapproval.

~~(b)(1) The Secretary shall review and approve the stewardship assessment proposed by a producer pursuant to subsection 6673(b) of this title. The Secretary shall only approve the Program budget and any assessment if the applicant has demonstrated that the costs of the Program and any proposed assessment are reasonable and the assessment does not exceed the costs of implementing an approved plan.~~

~~(2) If an amended plan is submitted under subsection 6673(g) of this title that proposes to change the cost of the Program or proposes to change the paint stewardship assessment under the plan, the disapproval of any proposed new assessment or the failure of an approved new assessment to cover the total costs of the Program shall not relieve a producer or stewardship organization of its obligation to continue to implement the approved plan under the originally approved assessment.~~

~~(c)~~ Facilities solely collecting paint products for the Paint Product Stewardship Program that would not otherwise be subject to solid waste certification requirements shall not be required to obtain a solid waste certification. Persons solely transporting paint for the Paint Product Stewardship Program that would not otherwise be subject to solid waste hauler permitting requirements shall not be required to obtain a solid waste hauler's permit.

§ 6676. ANTICOMPETITIVE CONDUCT

(a) A producer or an organization of producers that manages postconsumer paint products, including collection, transport, recycling, and processing of postconsumer paint products, as required by this subchapter may engage in anticompetitive conduct to the extent necessary to implement the plan approved by the Secretary and is immune from liability for the conduct relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce.

(b) The activity authorized and the immunity afforded under subsection (a) of this section shall not apply to any agreement among producers or paint product stewardship organizations:

(1) establishing or affecting the price of paint products, ~~except for the paint stewardship assessment approved under subsection 6675(b) of this title~~;

(2) setting or limiting the output or production of paint products;

(3) setting or limiting the volume of paint products sold in a geographic area;

(4) restricting the geographic area where paint products will be sold; or

(5) restricting the customers to whom paint products will be sold or the volume of paint products that will be sold.

§ 6677. PRODUCER REPORTING REQUIREMENTS

~~No later than October 15, 2015, and annually thereafter,~~ Annually, a producer or a stewardship program of which the producer is a member shall submit to the Secretary a report describing the Paint Product Stewardship

Program that the producer or Stewardship Program is implementing as required by section 6673 of this title. At a minimum, the report shall include:

(1) a description of the methods the producer or Stewardship Program used to reduce, reuse, collect, transport, recycle, and process postconsumer paint products statewide in Vermont;

(2) the volume and type of postconsumer paint products collected by the producer or Stewardship Program at each collection center in all regions of Vermont;

(3) the volume of postconsumer paint products collected by the producer or Stewardship Program in Vermont by method of disposition, including reuse, recycling, energy recovery, and disposal;

(4) an independent financial audit of the Paint Product Stewardship Program implemented by the producer or the Stewardship Program;

(5) the prior year's actual direct and indirect costs for each Program element and the administrative and overhead costs of administering the approved Program; and

(6) samples of the educational materials that the producer or stewardship program provided to consumers of architectural paint.

* * *

§ 6680. UNIVERSAL WASTE DESIGNATION FOR POSTCONSUMER PAINT

(a) The requirements of Subchapter 9 of the Vermont Hazardous Waste Management Rules, which allow certain categories of hazardous waste to be managed as universal waste, shall apply to postconsumer paint products until the postconsumer paint is discarded, provided that:

(1) the postconsumer paint product is collected as a part of a stewardship plan approved under this subchapter; and

(2) the collected postconsumer paint product is or includes a paint product that is a hazardous waste as defined and regulated by the Vermont Hazardous Waste Management Rules.

(b) When postconsumer paint product is regulated as universal waste under subsection (a) of this section, small and large quantity handlers of the postconsumer paint shall manage the postconsumer paint products in a manner that prevents releases of any universal waste or component of the universal waste to the environment. Postconsumer paint products regulated as universal waste shall, at a minimum, be contained in one or more of the following:

(1) a container that remains closed, structurally sound, and compatible with the postconsumer paint products and that lacks evidence of leakage, spillage, or damage that could cause leakage under reasonably foreseeable conditions; or

(2) a container that does not meet the requirements of subdivision (1) of this subsection, provided that the unacceptable container is overpacked in a container that meets the requirements of subdivision (1).

(c) Containers holding postconsumer paint products that ~~is~~ are regulated as universal waste shall be clearly labeled to clearly identify the contents of the container, such as "Paint-Related Waste," "Universal Waste Paint," "Used Paint," or "Waste Paint."

(d) Unless otherwise provided by statute, the definitions of the Vermont Hazardous Waste Management Rules shall apply to this section.

§ 6681. PAINT CONSUMER FEES

(a) The paint product stewardship assessment shall be sufficient to implement and sustain the Paint Product Stewardship Program. If at any time the stewardship assessments established in this section are not sufficient to implement and sustain the Paint Product Stewardship Program, the Paint Product Stewardship Program shall propose new stewardship assessments that are sufficient to implement and sustain the Program.

(b) A retailer shall charge an assessment on paint products, based on current material management costs of the Paint Product Stewardship Program, in the following amounts for architectural paint:

(1) Half pint or smaller:	No fee.
(2) Greater than a half pint to one gallon:	$0.65.
(3) Greater than one gallon to two gallons:	$1.35.
(4) Greater than two gallons to five gallons:	$2.45.

Sec. 11. IMPLEMENTATION; FEE REPORT

(a) The requirements for the sale of paint products under 10 V.S.A. § 6673 shall apply to architectural paint beginning on July 1, 2013 and all paint products beginning on July 1, 2026.

(b) The requirement under 10 V.S.A. § 6673 for an architectural paint producer to submit a stewardship plan to the Secretary of Natural Resources currently applies to producers of architectural paint as required beginning on July 1, 2013 and shall also apply to producers of paint related products beginning on July 1, 2026.

(c) The requirement under 10 V.S.A. § 6677 that an architectural paint producer annually report to the Secretary of Natural Resources currently applies to producers of architectural paint as required beginning on July 1, 2013 and shall also apply to producers of paint related products beginning on March 1, 2027.

(d) On or before December 15, 2025, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and on Ways and Means a report recommending a paint consumer fee or fees to be charged for paint products that are not architectural paint.

* * * Healthy Homes Initiative * * *

Sec. 12. 2024 Acts and Resolves No. 78, Sec. B.1103 is amended to read:

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

* * *

(j)(1) In fiscal year 2024, the amount of $6,100,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds is appropriated to the Department of Environmental Conservation for the Healthy Homes Initiative. Funds shall be used to make repairs or improvements to drinking water, wastewater, or stormwater systems for Vermonters who have low to moderate income or who live in manufactured housing communities, or both.

(2) All information submitted to or compiled by the Department of Environmental Conservation related to the issuance of individual funding awards under the Healthy Homes Initiative shall be considered confidential unless the person providing the information designates that it is not confidential. This shall include all personal information of applicants that request or receive funding. Notwithstanding 1 V.S.A. § 214, this subdivision shall take effect on passage and shall apply retroactively to July 1, 2023.

* * *

* * * Flood Safety * * *

Sec. 13. 2024 Act and Resolves No. 121, Sec. 3 is amended to read:

Sec. 3. DEPARTMENT OF ENVIRONMENTAL CONSERVATION; RIVER CORRIDOR BASE MAP; INFILL MAPPING; EDUCATION AND OUTREACH

(a) On or before January 1, ~~2026~~ 2027, the Department of Environmental Conservation, in consultation with the Agency of Commerce and Community

Development and the regional planning commissions, shall amend by procedure the statewide River Corridor Base Map to identify areas suitable for development that are located within existing settlements and that will not cause or contribute to increases in fluvial erosion hazards.

(b) Beginning on January 1, 2025 and ending on January 1, ~~2027~~ 2028, the Department of Environmental Conservation shall conduct an education and outreach program to consult with and collect input from municipalities, environmental justice focus populations, the Environmental Justice Advisory Council, businesses, property owners, farmers, and other members of the public regarding how State permitting of development in mapped river corridors will be implemented, including potential restrictions on the use of land within mapped river corridors. The Department shall develop educational materials for the public as part of its charge under this section. The Department shall collect input from the public regarding the permitting of development in mapped river corridors as proposed by this act. On or before January 15, ~~2027~~ 2028 and until permitting of development in mapped river corridors begins under 10 V.S.A. § 754, the Department shall submit to the Senate Committee on Natural Resources and Energy, the House Committee on Environment ~~and Energy~~, and the Environmental Justice Advisory Council a report that shall include:

(1) a summary of the public input it received regarding State permitting of development in mapped river corridors during the public education and outreach required under this section;

(2) recommendations, based on the public input collected, for changes to the requirements for State permitting of development in mapped river corridors;

(3) an analysis and summary of State permitting of development in mapped river corridors on environmental justice populations; and

(4) a summary of the Department's progress in adopting the rules required under 10 V.S.A. § 754 for the regulation of development in mapped river corridors.

Sec. 14. 10 V.S.A. § 754 is amended to read:

§ 754. MAPPED RIVER CORRIDOR RULES

(a) Rulemaking authority.

(1) On or before ~~July 1, 2027~~ July 15, 2028, the Secretary shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish requirements for issuing and enforcing permits for:

(A) all development within a mapped river corridor in the State; and

(B) for development exempt from municipal regulation in flood hazard areas.

(2) The Secretary shall not adopt rules under this subsection that regulate agricultural activities without the consent of the Secretary of Agriculture, Food and Markets, provided that the Secretary of Agriculture, Food and Markets shall not withhold consent under this subdivision when lack of such consent would result in the State's noncompliance with the National Flood Insurance Program.

(3) The Secretary shall seek the guidance of the Federal Emergency Management Agency in developing and drafting the rules required by this section in order to ensure that the rules are sufficient to meet eligibility requirements for the National Flood Insurance Program.

* * *

(e) Permit requirement. Beginning on ~~January 1, 2028~~ July 1, 2029, a person shall not commence or conduct development exempt from municipal regulation in a flood hazard area or commence or conduct any development in a mapped river corridor without a permit issued under the rules required under subsection (a) of this section by the Secretary or by a State agency delegated permitting authority under subsection (f) of this section. When an application is filed under this section, the Secretary or delegated State agency shall proceed in accordance with chapter 170 of this title.

* * *

Sec. 15. 2024 Acts and Resolves 121, Sec. 10 is amended to read:

Sec. 10. STUDY COMMITTEE ON STATE ADMINISTRATION OF THE NATIONAL FLOOD INSURANCE PROGRAM

* * *

(e) Report. On or before August 15, ~~2025~~ 2026, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative action shall be as draft legislation.

* * *

Sec. 16. 2024 Acts and Resolves 121, Sec. 11(a) is amended to read:

(a) The Secretary of Natural Resources shall initiate rulemaking, including pre-rulemaking, for the rules required in Sec. 5 of this act, 10 V.S.A. § 754 (river corridor development), not later than July 1, 2025. The rules shall be

adopted on or before July 1, ~~2027~~ 2028.

Sec. 17. 2024 Acts and Resolves No. 121, Sec. 29(b) is amended to read:

(b) All other sections shall take effect July 1, 2024, except that:

(1) Secs. 6a, 7, 8, 8a, and 9 (conforming amendments to municipal river corridor planning) shall take effect on January 1, 2028, except that in Sec. 9, 24 V.S.A. § 4424(a)(2)(B)(i) (municipal compliance with the State Flood Hazard Area Standards) shall take effect on January 1, ~~2026~~ 2028;

* * *

* * * Wetlands * * *

Sec. 18. 10 V.S.A. § 918 is amended to read:

§ 918. NET GAIN OF WETLANDS; STATE GOAL; RULEMAKING

(a) On or before ~~July 1~~ December 1, 2025, the Secretary of Natural Resources shall amend the Vermont Wetlands Rules pursuant to 3 V.S.A. chapter 25 to clarify that the goal of wetlands regulation and management in the State is the net gain of wetlands to be achieved through protection of existing wetlands and restoration of wetlands that were previously adversely affected. This condition shall not apply to wetland, river, and flood plain restoration projects, including dam removals.

* * *

(c) At a minimum, the Wetlands Rules shall be revised to:

(1) Require an applicant for a wetland permit that authorizes adverse impacts to more than 5,000 square feet of wetlands to compensate for those impacts through restoration, enhancement, or creation of wetland resources.

(2) Incorporate the net gain rule into requirements for permits issued after ~~September 1~~ December 1, 2025.

* * *

* * * Dams * * *

Sec. 19. 2024 Acts and Resolves No. 121, Sec. 22 is amended to read:

Sec. 22. STUDY COMMITTEE ON DAM EMERGENCY OPERATIONS PLANNING

(a) Creation. There is created the Study Committee on Dam Emergency Operations Planning to review and recommend how to improve regional emergency action planning for hazards caused by dam failure, including how to shift responsibility for emergency planning from individual municipalities

to regional authorities, how to improve regional implementation of dam emergency response plans, and how to fund dam emergency action planning at the regional level.

* * *

(e) Report. On or before December 15, ~~2024~~ 2025, the Study Committee shall submit a written report to the General Assembly with its findings and any recommendations for legislative action. Any recommendation for legislative action shall be submitted as draft legislation.

(f) Meetings.

(1) The Secretary of Natural Resources or designee shall call the first meeting of the Study Committee.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Study Committee shall cease to exist on March 1, ~~2025~~ 2026.

* * *

Sec. 20. 2024 Acts and Resolves No. 121, Sec. 24(f) is amended to read:

(f) On or before ~~January 15~~ September 1, 2025, the Agency of Natural Resources shall complete its analysis of the capital and ongoing operations and maintenance costs of the Green River Dam, as authorized in 2022 Acts and Resolves No. 83, Sec. 46, and shall submit the results of the analysis to the House Committees on Environment ~~and Energy~~ and on Appropriations and the Senate Committees on Natural Resources and Energy and on Appropriations.

* * * Resilience Implementation Strategy; Climate Superfund Act * * *

Sec. 21. 10 V.S.A. § 599a is amended to read:

§ 599a. REPORTS; RULEMAKING

(a) On or before January 15, 2025, the Agency, in consultation with the State Treasurer, shall submit a report to the General Assembly detailing the feasibility and progress of carrying out the requirements of this chapter, including any recommendations for improving the administration of the Program.

(b) The Agency shall adopt rules necessary to implement the requirements of this chapter, including:

(1) adopting methodologies using available science and publicly available data to identify responsible parties and determine their applicable share of covered greenhouse gas emissions; and

(2) requirements for registering entities that are responsible parties and issuing notices of cost recovery demands under the Program~~; and~~

~~(3) the Resilience Implementation Strategy, which shall include:~~

~~(A) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;~~

~~(B) practices to adapt infrastructure to the impacts of climate change;~~

~~(C) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;~~

~~(D) practices that support economic and environmental sustainability in the face of changing climate conditions; and~~

~~(E) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program~~.

(c) On or before September 15, 2025, the Secretary shall submit to the House Committee on Environment and the Senate Committee on Natural Resources and Energy a report summarizing the Agency of Natural Resources' adoption of the Resilience Implementation Strategy. The Strategy shall include:

(1) practices utilizing nature-based solutions intended to stabilize floodplains, riparian zones, lake shoreland, wetlands, and similar lands;

(2) practices to adapt infrastructure to the impacts of climate change;

(3) practices needed to build out early warning mechanisms and support fast, effective response to climate-related threats;

(4) practices that support economic and environmental sustainability in the face of changing climate conditions; and

(5) criteria and procedures for prioritizing climate change adaptation projects eligible to receive monies from the Climate Superfund Cost Recovery Program.

~~(c)~~(d) In adopting the Strategy, the Agency shall:

(1) consult with the Environmental Justice Advisory Council;

(2) in consultation with other State agencies and departments, including the Department of Public Safety's Division of Vermont Emergency

Management, assess the adaptation needs and vulnerabilities of various areas vital to the State's economy, normal functioning, and the health and well-being of Vermonters;

(3) identify major potential, proposed, and ongoing climate change adaptation projects throughout the State;

(4) identify opportunities for alignment with existing federal, State, and local funding streams;

(5) consult with stakeholders, including local governments, businesses, environmental advocates, relevant subject area experts, and representatives of environmental justice focus populations;

(6) consider components of the Vermont Climate Action Plan required under section 592 of this title that are related to adaptation or resilience, as defined in section 590 of this title; and

(7) conduct public engagement in areas and communities that have the most significant exposure to the impacts of climate change, including disadvantaged, low-income, and rural communities and areas.

~~(d)~~(e) Nothing in this section shall be construed to limit the existing authority of a State agency, department, or entity to regulate greenhouse gas emissions or establish strategies or adopt rules to mitigate climate risk and build resilience to climate change.

Sec. 22. 2024 Acts and Resolves No. 122, Sec. 3 is amended to read:

Sec. 3. IMPLEMENTATION

(a) ~~On or before July 1, 2025, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rule for the adoption of the Resilience Implementation Strategy required pursuant to 10 V.S.A § 599a(b)(3). On or before January 1, 2026, the Agency of Natural Resources shall adopt the final rule establishing the Resilience Implementation Strategy required pursuant to 10 V.S.A § 599a(b)(3).~~ [Repealed.]

(b) On or before July 1, ~~2026~~ 2027, the Agency of Natural Resources pursuant to 3 V.S.A. § 837 shall file with the Interagency Committee on Administrative Rules the proposed rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2). On or before January 1, ~~2027~~ 2028, the Agency of Natural Resources shall adopt the final rule rules required pursuant to 10 V.S.A. § 599a(b)(1) and (b)(2).

Sec. 23. 10 V.S.A. § 596 is amended to read:

§ 596. DEFINITIONS

* * *

(7) "Covered greenhouse gas emissions" means the total quantity of greenhouse gases released into the atmosphere ~~during the covered period~~, expressed in metric tons of carbon dioxide equivalent, resulting from the use of fossil fuels extracted or refined by an entity during the covered period.

* * *

(22) "Responsible party" means any entity or a successor in interest to an entity that during any part of the covered period was engaged in the trade or business of extracting fossil fuel or refining crude oil and is determined by the Agency attributable to for more than one billion metric tons of covered greenhouse gas emissions ~~during the covered period~~. The term responsible party does not include any person who lacks sufficient connection with the State to satisfy the nexus requirements of the U.S. Constitution.

* * *

Sec. 24. 10 V.S.A. § 598(b) is amended to read:

(b) With respect to each responsible party, the cost recovery demand shall be equal to an amount that bears the same ratio to the cost to the State of Vermont and its residents, as calculated by the State Treasurer pursuant to section 599c of this title, from ~~the emission of~~ covered greenhouse ~~gases during the covered period~~ gas emissions as the responsible party's applicable share of covered greenhouse gas emissions bears to the aggregate applicable shares of covered greenhouse gas emissions ~~resulting from the use of fossil fuels extracted or refined during the covered period~~.

Sec. 25. 10 V.S.A. § 599c is amended to read:

§ 599c. STATE TREASURER REPORT ON THE COST TO VERMONT OF COVERED GREENHOUSE GAS EMISSIONS

On or before January 15, ~~2026~~ 2027, the State Treasurer, after consultation with the Interagency Advisory Board to the Climate Action Office, and with any other person or entity whom the State Treasurer decides to consult for the purpose of obtaining and utilizing credible data or methodologies that the State Treasurer determines may aid the State Treasurer in making the assessments and estimates required by this section, shall submit to the Senate Committees on Appropriations, on Finance, on Agriculture, and on Natural Resources and Energy and the House Committees on Appropriations; on Ways and Means; on Agriculture, Food Resiliency, and Forestry; and on Environment ~~and Energy~~ an assessment of the cost to the State of Vermont and its residents ~~of the~~

~~emission~~ of covered greenhouse ~~gases for the period that began on January 1, 1995 and ended on December 31, 2024~~ gas emissions. The assessment shall include:

* * *

(3) a categorized calculation of the costs that have been incurred and are projected to be incurred in the future within the State of Vermont to abate the effects of covered greenhouse gas emissions ~~from between January 1, 1995 and December 31, 2024~~ on the State of Vermont and its residents.

* * * Agency of Natural Rules; Federal Reference * * *

Sec. 26. AGENCY OF NATURAL RESOURCES' RULES; FEDERAL REFERENCE

(a) Any federal regulation incorporated by reference into an Agency of Natural Resources' Rule as of January 1, 2025 shall continue in effect as an Agency rule until January 31, 2029 or when the Agency rule is next amended, whichever is sooner, regardless of whether the federal regulation was later repealed or amended.

(b) The Secretary of Natural Resources shall provide notice of any incorporated federal regulations by posting them on the Agency of Natural Resources' website.

(c) Nothing in this section shall prevent the Secretary of Natural Resources from adopting or amending a rule pursuant to 3 V.S.A. chapter 25, including through emergency rulemaking.

* * * Commercial Salt Application * * *

Sec. 27. PURPOSE

It is the purpose of Secs. 28—32 of this act to establish the accepted standards of care for the application of salt and salt alternatives in an effective and efficient manner that provides safe conditions for pedestrians and motor vehicles on traveled surfaces while also reducing the impacts of salt and salt alternatives on the quality of the waters of the State.

Sec. 28. 10 V.S.A. chapter 47, subchapter 3A is added to read:

Subchapter 3A. Chloride Contamination Reduction Program

§ 1351. DEFINITIONS

As used in this subchapter:

(1) "Apply salt" or "application of salt" means to apply salt or a salt alternative to roadways, parking lots, or sidewalks for the purpose of winter

maintenance or for summer dust control. "Apply salt" or "application of salt" does not mean the application of salt to a transportation infrastructure construction project.

(2) "Commercial salt applicator" means any individual who for compensation applies salt but does not include municipal or State employees.

(3) "Master commercial salt applicator" means any individual who employs and is responsible for individuals who for compensation apply salt but does not include municipal or State employees.

(4) "Salt" means sodium chloride, calcium chloride, magnesium chloride, or any other substance containing chloride used for the purpose of deicing, anti-icing, or dust control.

(5) "Salt alternative" means any substance not containing chloride used for the purpose of deicing, anti-icing, or dust control.

(6) "Secretary" means the Secretary of Natural Resources.

(7) "Transportation infrastructure construction project" means a project that involves the construction of roadways, parking lots, sidewalks, or other construction activities at transportation facilities or within transportation rights-of-way.

§ 1352. CHLORIDE CONTAMINATION REDUCTION PROGRAM

(a) The Secretary of Natural Resources, after consultation with the Secretary of Transportation and other states with similar chloride reduction programs, shall establish the Chloride Contamination Reduction Program for the voluntary education, training, and certification of commercial salt applicators regarding effective and efficient application of salt and salt alternatives to provide safe conditions for pedestrians and motor vehicles on traveled surfaces while also reducing the impacts of salt and salt alternatives on the quality of the waters of the State.

(b) As part of the Program, the Secretary of Natural Resources, on or before July 1, 2026, shall adopt by rule best management practices for application of salt or salt alternatives by commercial salt applicators. The best management practices may be based on practices currently implemented by the Agency of Transportation or other entities. The best management practices shall:

(1) establish measures or techniques to increase efficiency in the application of salt or salt alternatives so that the least amount of salt or salt alternatives are used while maintaining safe conditions for pedestrians and motor vehicles on traveled surfaces;

(2) establish standards for when and how salt and salt alternatives are applied in order to prevent salt or salt alternatives from entering waters of the State, including:

(A) salt alternatives that are cost-effective and less harmful to water quality while maintaining safe conditions for pedestrians and motor vehicles on traveled surfaces;

(B) whether and how to implement equipment to calibrate, monitor, or meter application of salt or salt alternatives; and

(C) when sand is an appropriate alternative to salt or salt alternatives for deicing or dust control, particularly in regard to when application of sand will be less harmful to water quality;

(3) establish record-keeping requirements for commercial salt applicators, including records of training and records describing the type and rate of application of salt or salt alternatives, the dates of use, weather conditions requiring use of salt or salt alternatives, and any other factors that the Secretary of Natural Resources deems necessary for the purposes of the Program;

(4) create and circulate a model form for record-keeping information required under this section;

(5) establish requirements for certification under this subchapter, including frequency of training and manner of training;

(6) establish a testing requirement for applicators to complete prior to receiving an initial certification under the Program; and

(7) establish other requirements deemed necessary by the Secretary to achieve the purposes of the Program.

(c)(1) The Program shall offer training for commercial applicators in the implementation of the best management practices required under subsection (b) of this section. Upon completion of training, a commercial salt applicator shall be designated a certified commercial salt applicator. The term of a commercial salt applicator certification issued under the Program shall be for two years from the date of issuance of certification.

(2) A business that employs multiple commercial salt applicators may apply to the Secretary for certification of the business owner or other designated employee as a master commercial salt applicator. A certified master commercial salt applicator shall ensure that all persons employed by the business to apply salt or salt alternatives are trained to comply with the best management practices established under subsection (b) of this section.

(d)(1) A certified commercial salt applicator shall submit an annual summary of total winter salt usage to the Secretary of Natural Resources.

(2) The Secretary of Natural Resources shall establish methods to estimate and track the amount of salt applied by certified commercial salt applicators.

(e) The Secretary may revoke a certification issued under this subchapter after notice and opportunity for a hearing for a violation of the requirements of this subchapter, the rules of this subchapter, or the provisions of a certification issued under this subchapter.

(f)(1) The Program shall include requirements for certification of a master commercial salt applicator.

(2) The Program shall specifically exclude salt applications related to transportation infrastructure construction projects.

(3) The Secretary may elect to implement the Program with State agency staff or through a third-party vendor, or some combination.

§ 1353. AFFIRMATIVE DEFENSE; SALT APPLICATION;

(a) A commercial salt applicator or an owner, occupant, or lessee of real property maintained by a certified commercial salt applicator shall have an affirmative defense against a claim for damages resulting from a hazard caused by snow or ice if:

(1) the claimed damages were caused solely by snow or ice; and

(2) any failure or delay in removing or mitigating the hazard is the result of the certified commercial salt applicator's implementation of the best management practices established under section 1352 of this title for application of salt or salt alternatives.

(b) The affirmative defense provided under subsection (a) shall not apply when the civil damages are due to gross negligence or reckless disregard of the hazard.

(c) The affirmative defense provided under this section is not exclusive and is in addition to any other defenses or immunities provided under State law.

(d) In order to assert the affirmative defense provided under subsection (a) of this section, a commercial salt applicator or an owner, occupant, or lessee of real property maintained by a certified commercial salt applicator shall keep a record describing its road, parking lot, and property maintenance practices, consistent with the requirements determined by the Secretary under this subchapter. The record shall include the type and rate of application of salt

and salt alternatives used, the dates of treatment, and the weather conditions for each event requiring deicing. Such records shall be retained by the applicator for a period of three years.

§ 1354. ENFORCEMENT; PRESUMPTION OF COMPLIANCE; WATER QUALITY

(a) A certified commercial salt applicator or a commercial salt applicator employed by a certified master commercial salt applicator is entitled to a rebuttable presumption that the certified commercial salt applicator or commercial salt applicator is in compliance with the requirements of sections 1263 and 1264 of this title when applying salt or salt alternatives according to the best management practices established under section 1352 of this title. The rebuttable presumption under this subsection shall not apply to requirements of a total maximum daily load plan required under this chapter or the requirements of a municipal separate storm sewer system permit required under section 1264 of this title.

(b) The Secretary may revoke a certification issued under this subchapter after notice and opportunity for a hearing for a violation of the requirements of this subchapter, the rules of this subchapter, or the provisions of a certification issued under this subchapter.

§ 1355. EDUCATION AND OUTREACH

The Secretary of Natural Resources, through the staff of the Chloride Contamination Reduction Program, shall conduct education and outreach to inform:

(1) commercial salt applicators of the existence of the Chloride Contamination Reduction Program and the training and affirmative defense offered under the Program; and

(2) members of the public who purchase salt or salt alternatives for use on driveways, sidewalks, private roads, and other paved surfaces of the potential harm to water quality, pets, and wildlife from excessive application of salt and salt alternatives and how to decrease the potential harm.

Sec. 29. ANR REPORT ON MANAGEMENT OF SALT AND SAND STORAGE FACILITIES

On or before January 15, 2026, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Transportation and the House Committees on Environment and on Transportation a report regarding the management of State and municipal facilities (facilities) for the storage of salt, salt and sand mixtures, and sand that is not mixed with salt. The report shall include:

(1) an inventory of facilities in the State used for the storage of salt, salt and sand mixtures, or sand that is not mixed with salt;

(2) an estimated number of facilities that are currently covered;

(3) an estimate of the number of facilities that are not covered and are within 100 yards of a surface water or drinking water source;

(4) an estimate of the number of facilities that are not covered and are more than 100 yards from a surface water or drinking water source; and

(5) an estimate of the total cost to cover or move facilities for the storage of salt, salt and sand mixtures, or sand that is not mixed with salt, including a proposed annual amount of funding that would be required to meet the timelines for cover or management.

Sec. 30. MUNICIPAL SALT APPLICATORS; VERMONT LOCAL ROADS CURRICULUM; AFFIRMATIVE DEFENSE

(a)(1) On or before November 1, 2026, the Secretary of Natural Resources, in collaboration with the Secretary of Transportation, shall identify and make changes to the Vermont Local Roads curriculum needed to support municipal salt applicators in meeting the purpose of this act, including training for best management practices for spreading salt on roads, parking lots, and sidewalks.

(2) As used in this subsection, "municipal salt applicator" means any individual who applies or supervises others who apply salt in the applicator's capacity as an employee or agent of a town or a municipality but does not include State employees.

(b) Notwithstanding 24 V.S.A. § 901a to the contrary, a municipal employee shall have an affirmative defense against a claim for damages resulting from a hazard caused by snow or ice if:

(1) the municipal salt applicator completed the Vermont Local Roads curriculum providing best management practices for spreading salt on roads, parking lots, and sidewalks in that calendar year;

(2) the claimed damages were caused solely by snow or ice; and

(3) any failure or delay in removing or mitigating the hazard is the result of the certified commercial salt applicator's implementation of the best management practices learned under the Vermont Local Roads curriculum.

(c) The affirmative defense provided under subsection (b) of this section shall not apply when the civil damages are due to gross negligence or reckless disregard of the hazard.

(d) The affirmative defense provided under this section is not exclusive and is in addition to any other defenses or immunities provided under State law.

(e) In order to assert the affirmative defense provided under subsection (b) of this section, a municipality shall keep a record describing its road, parking lot, and property maintenance practices, consistent with the requirements determined by the Secretary under this subchapter. The record shall include the type and rate of application of salt and salt alternatives used, the dates of treatment, and the weather conditions for each event requiring deicing. Such records shall be retained by the applicator for a period of three years.

Sec. 31. FEE REPORT

On or before January 15, 2026, the Secretary of Natural Resources shall solicit interest from third-party vendors for training and certifying commercial salt applicators under 10 V.S.A. chapter 47, subchapter 3A. The Secretary shall recommend to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and on Ways and Means a fee to be charged either by the State or by a third-party vendor for certification of commercial salt applicators under 10 V.S.A. chapter 47, subchapter 3A. Any fee charged to commercial salt applicators by the State or a third-party vendor for certification under the Chloride Contamination Reduction Program shall be approved by the General Assembly.

Sec. 32. CONTINGENT IMPLEMENTATION; FUNDING

The duty of the Agency of Natural Resources to implement Secs. 28 (Chloride Contamination Reduction Program), 30 (municipal salt applicators), and 31 (fee report) of this act is contingent upon an appropriation from the General Fund for the specific purposes described in Secs. 28, 30, and 31 of this act.

* * * Renewable Power Portfolio * * *

Sec. 33. 30 V.S.A. § 8009 is amended to read:

§ 8009. BASELOAD RENEWABLE POWER PORTFOLIO REQUIREMENT

* * *

(d) On or before November 1, ~~2027~~ 2028, the Commission shall determine, for the period beginning on November 1, ~~2026~~ 2028 and ending on November 1, 2032, the price to be paid to a plant used to satisfy the baseload renewable power portfolio requirement. The Commission shall not be required to make this determination as a contested case under 3 V.S.A. chapter 25. The price shall be the avoided cost of the Vermont composite electric utility system. As

used in this subsection, the term "avoided cost" means the incremental cost to retail electricity providers of electric energy or capacity, or both, that, but for the purchase from the plant proposed to satisfy the baseload renewable power portfolio requirement, such providers would obtain from a source using the same generation technology as the proposed plant. For the purposes of this subsection, the term "avoided cost" also includes the Commission's consideration of each of the following:

* * *

(k) Collocation and efficiency requirements.

(1) The owner of the plant used to satisfy the baseload renewable power portfolio requirement shall cause the plant's overall efficiency to be increased by at least 50 percent relative to the 12-month period preceding July 1, 2022. In achieving this efficiency, the owner shall comply with the requirements of this subsection.

(2) On or before ~~July~~ October 1, ~~2023~~ 2025, the owner of the plant shall submit to the Commission and the Department:

(A) A signed contract providing for the construction of a facility at the plant that utilizes the excess thermal heat generated at the plant for a beneficial purpose. As used in this subdivision (A), beneficial purpose may include the displacement of fossil fuel use for the sustainable production of a product or service or more efficient or less costly generation of electricity.

(B) A certification by a qualified professional engineer that the construction of the facility shall meet the requirement of subdivision (1) of this subsection (k).

(3) On or before October 1, ~~2025~~ 2026, the owner of the plant shall submit to the Commission and the Department a certification that the main components of the facility used to meet the requirement of subdivision (1) of this subsection have been manufactured and that the construction plans for the facility have been completed.

(4) If the contract and certification required under subdivision (2) of this subsection are not submitted to the Commission and Department on or before ~~July~~ October 1, ~~2023~~ 2025 or if the certification required under subdivision (3) is not submitted to the Commission and Department on or before October 1, ~~2025~~ 2026, then the obligation under this section for each Vermont retail electricity provider to purchase a pro rata share of the baseload renewable power portfolio requirement shall cease on November 1, ~~2025~~ 2026, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(5) On or before September 1, ~~2026~~ 2027, the Department shall investigate and submit a recommendation to the Commission on whether the plant has achieved the requirement of subdivision (1) of this subsection. If the Department recommends that the plant has not achieved the requirement of subdivision (1) of this subsection, the obligation under this section shall cease on November 1, ~~2026~~ 2027, and the Commission is not required to conduct the rate determination provided for in subsection (d) of this section.

(6) After November 1, ~~2027~~ 2028, the owner of the plant shall report annually to the Department and the Department shall verify the overall efficiency of the plant for the prior 12-month period. If the overall efficiency of the plant falls below the requirement of subdivision (1) of this subsection, the report shall include a plan to return the plant to the required efficiency within one year.

(7) If, after implementing the plan in subdivision (6) of this subsection, the owner of the plant does not achieve the efficiency required in subdivision (1) of this subsection, the Department shall request that the Commission commence a proceeding to terminate the obligation under this section.

* * *

* * * Effective Date * * *

Sec. 34. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 21, 2025, pages 655 to 673)

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)

Reported favorably by Senator Watson for the Committee on Appropriations.

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

(Committee vote: 7-0-0)

Amendments to proposal of amendment of the Committee on Natural Resources and Energy to H. 319 to be offered by Senator Brennan

Senator Brennan moves to amend the proposal of amendment of the Committee on Natural Resources and Energy as follows:

First: By striking out Sec. 18, 10 V.S.A. 918, and its reader assistance in their entireties and inserting in lieu thereof a new Sec. 18 to read:

Sec. 18. [Deleted.]

Second: By striking out Sec. 34, effective date, and its reader assistance heading in their entireties and inserting in lieu thereof six new sections to be Secs. 34–39 and their related reader assistance headings to read:

* * * Wetlands; Permitting * * *

Sec. 34. 10 V.S.A. § 902 is amended to read:

§ 902. DEFINITIONS

Wherever used or referred to in this chapter, unless a different meaning clearly appears from the context:

* * *

(7) "Class II wetland" means a wetland other than a Class I or Class III wetland that:

(A) is a mapped wetland identified on the Vermont significant wetlands inventory maps; or

(B) is an unmapped wetland that the Secretary determines to merit protection, pursuant to section 914 of this title, based upon an evaluation of the extent to which it serves the functions and values set forth in subdivision 905b(18)(A) of this title and the rules of the Department.

(8) "Class III wetland" means a wetland that is neither a Class I wetland nor a Class II wetland.

(9) "Buffer zone" means an area contiguous to a significant wetland that protects the wetland's functions and values.

(A) ~~The~~ Except as provided in subdivision (B) of this subdivision (9):

(i) the buffer zone for a Class I wetland shall extend at least 100 feet from the border of the wetland~~,~~ unless the Department determines otherwise under section 915 of this title~~. The~~; and

(ii) the buffer zone for a Class II wetland shall extend at least 50 feet from the border of the wetland unless the Secretary determines otherwise under section 914 of this title.

(B) The buffer zone of a Class II wetland shall be 25 feet when the wetland is located in:

(i) an industrial park, as that term is defined in subdivision 212(7) of this title, that is permitted under chapter 151 of this title;

(ii) designated centers designated under 24 V.S.A. chapter 76A;

(iii) Tier 1A and Tier 1B areas approved by the Land Use Review Board; or

(iv) locations meeting the requirements established in subsection 6081(z) of this title as eligible for an interim exemption from the permit or permit amendment requirements of chapter 151 of this title.

(10) ~~"Panel" means the Water Resources Panel of the Agency of Natural Resources.~~

~~(11)~~ "Significant wetland" means any Class I or Class II wetland.

~~(12)~~(11) "Secretary" means the Secretary of Natural Resources or the Secretary's authorized representative.

~~(13)~~(12) "Dam removal" has the same meaning as in section 1080 of this title.

Sec. 35. 10 V.S.A. § 913 is amended to read:

§ 913. PROHIBITION

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

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

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

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

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

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

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

(3) any construction or activity in an unmapped Class II wetland located in:

(A) an industrial park, as that term is defined in subdivision 212(7) of this title, that is permitted under chapter 151 of this title;

(B) designated centers designated under 24 V.S.A. chapter 76A;

(C) Tier 1A and Tier 1B areas approved by the Land Use Review Board; or

(D) locations meeting the requirements established in subsection 6081(z) of this title as eligible for an interim exemption from the permit or permit amendment requirements of chapter 151 of this title.

Sec. 36. 10 V.S.A. § 914 is amended to read:

§ 914. WETLANDS DETERMINATIONS

(a) The Secretary may, upon a petition or on ~~his or her~~ the Secretary's own motion, determine whether any wetland is a Class II or Class III wetland. ~~Such~~ The Secretary's determinations shall be based on an evaluation of the functions and values set forth in subdivision 905b(18)(A) of this title and the rules of the Department.

(b) The Secretary may establish the necessary width of the buffer zone of any Class II wetland as part of any wetland determination pursuant to the rules of the Department, except that the buffer zone of a Class II wetland shall be 25 feet when the wetland is located in:

(1) an industrial park, as that term is defined in subdivision 212(7) of this title, that is permitted under chapter 151 of this title;

(2) designated centers designated under 24 V.S.A. chapter 76A;

(3) Tier 1A and Tier 1B areas approved by the Land Use Review Board; or

(4) locations meeting the requirements established in subsection 6081(z) of this title as eligible for an interim exemption from the permit or permit amendment requirements of chapter 151 of this title.

* * *

Sec. 37. 10 V.S.A. § 918 is amended to read:

§ 918. NET GAIN OF WETLANDS; STATE GOAL; RULEMAKING

(a) On or before July 1, ~~2025~~ 2026, the Secretary of Natural Resources shall amend the Vermont Wetlands Rules pursuant to 3 V.S.A. chapter 25 to clarify that the goal of wetlands regulation and management in the State is the net gain of wetlands to be achieved through protection of existing wetlands and restoration of wetlands that were previously adversely affected. ~~This condition shall not apply to wetland, river, and flood plain restoration projects, including dam removals.~~

(b)(1) The Vermont Wetlands Rules shall prioritize the protection of existing intact wetlands from adverse effects.

(2) Where a permitted activity in a wetland will cause more than 5,000 square feet of adverse effects that cannot be avoided, the Secretary shall mandate that the permit applicant restore, enhance, or create wetlands or buffers to compensate for the adverse effects on a wetland. The amount of wetlands to be restored, enhanced, or created shall be calculated, at a minimum, by determining the acreage or square footage of wetlands permanently drained or filled as a result of the permitted activity and multiplying that acreage or square footage by two, to result in a ratio of 2:1 restoration to wetland loss, except that a ratio of 1:1 restoration to wetland loss shall apply in:

(A) an industrial park, as that term is defined in subdivision 212(7) of this title, that is permitted under chapter 151 of this title;

(B) designated centers designated under 24 V.S.A. chapter 76A;

(C) Tier 1A and Tier 1B areas approved by the Land Use Review Board; or

(D) locations meeting the requirements established in subsection 6081(z) of this title as eligible for an interim exemption from the permit or permit amendment requirements of chapter 151 of this title.

(3) Establishment of a buffer zone contiguous to a wetland shall not substitute for the restoration, enhancement, or creation of wetlands. Adverse impacts to wetland buffers shall be compensated for based on the effects of the impact on wetland function.

* * *

Sec. 38. 10 V.S.A. § 919 is amended to read:

§ 919. WETLANDS PROGRAM REPORTS

(a) On or before April 30, 2025, and annually thereafter, the Secretary of Natural Resources shall submit to the House Committee on Environment ~~and Energy~~ and to the Senate Committee on Natural Resources and Energy a report on annual losses and gains of significant wetlands in the State. The report shall include:

(1) the location and acreage of Class II wetland and buffer losses permitted by the Agency in accordance with section 913 of this title, for which construction of the permitted project has commenced;

(2) the acreage of Class II wetlands and buffers gained through permit-related enhancement and restoration, and an estimate of wetlands gained through wetlands, river, and floodplain restoration projects, including dam removals;

(3) the number of site visits and technical assistance calls conducted by the Agency of Natural Resources, the number of permits processed by the Agency, and any enforcement actions that were taken by the Agency or the Office of the Attorney General in the previous year for violations of this chapter; and

(4) an updated mitigation summary of the extent of wetlands restored on-site compared with compensation performed off-site, in-lieu fees paid, or conservation.

* * *

(c) On or before December 15, 2025, the Agency of Natural Resources shall publish on its website and submit to the House Committee on Environment and to the Senate Committee on Natural Resources and Energy wetland guidance on the mitigation and compensation sequence contemplated in the Vermont Wetland Rules subsections 9.5(b) and (c). The guidance shall clearly identify the process applicants should follow and the information and proof necessary to demonstrate a project has practicably avoided and minimized wetland impacts and is eligible for mitigation during the State wetland permit application process.

* * * Effective Date * * *

Sec. 39. EFFECTIVE DATE

This act shall take effect on passage.

NEW BUSINESS

Third Reading

H. 480.

An act relating to miscellaneous amendments to education law.

Second Reading

Favorable with Proposal of Amendment

H. 397.

An act relating to miscellaneous amendments to the statutes governing emergency management and flood response.

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

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:

* * * Division of Emergency Management; Plans and Reports * * *

Sec. 1. 20 V.S.A. § 3a is amended to read:

§ 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

(a) In addition to other duties required by law, the Division of Emergency Management shall:

* * *

(3) Annually on or before the last legislative day in January, provide an update and presentation to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations concerning all action items in the all-hazards mitigation plan required by subdivision (1) of this subsection.

* * *

Sec. 2. 20 V.S.A. § 41 is amended to read:

§ 41. STATE EMERGENCY MANAGEMENT PLAN

The ~~Department of Public Safety's Vermont~~ Division of Emergency Management ~~Division~~, in consultation with stakeholders, shall create, and republish as needed, but not less than every five years, a comprehensive State Emergency Management Plan. The Plan shall:

(1) detail response systems during all-hazards events, including communications, coordination among State, local, private, and volunteer entities, and the deployment of State and federal resources~~. The Plan shall also~~;

(2) detail the State's emergency preparedness measures and goals, including those for the prevention of, protection against, mitigation of, and recovery from all-hazards events~~. The Plan shall~~; and

(3) include templates and guidance for regional emergency management and for local emergency plans that support municipalities in their respective emergency management planning.

* * * Voluntary Buyouts * * *

Sec. 3. 20 V.S.A. § 48 is amended to read:

§ 48. COMMUNITY RESILIENCE AND DISASTER MITIGATION GRANT PROGRAM

* * *

(c) Administration; implementation.

(1) Grant awards. The Department of Public Safety, in coordination with the Department of Environmental Conservation, shall administer the Program, which shall award grants for the following:

* * *

(C) projects that implement disaster mitigation measures, adaptation, or repair, including watershed restoration, voluntary buyouts for flood-impacted or -prone properties, and similar activities that directly reduce risks to communities, lives, public collections of historic value, and property; and

* * *

* * * Division of Emergency Management; Assistance to Municipalities * * *

Sec. 4. 20 V.S.A. § 51 is added to read:

§ 51. DIVISION OF EMERGENCY MANAGEMENT; ALL-HAZARD AND WEATHER ALERT SYSTEMS FOR MUNICIPAL CORPORATIONS

Upon request of a municipal corporation, the Division of Emergency Management shall assist the municipal corporation with access to the following:

(1) a statewide river observation and modeling system that details current river level observations and models river flood outlooks; and

(2) a statewide enhanced weather forecasting and alert system that:

(A) predicts local and regional conditions using advanced modeling; and

(B) issues real-time warnings for potentially dangerous weather through multiple communication channels.

* * * Needs Assessment Report * * *

Sec. 5. DIVISION OF EMERGENCY MANAGEMENT; STATE STAKEHOLDERS; NEEDS ASSESSMENT; REPORT

The Division of Emergency Management shall conduct a needs assessment to identify any additional staffing, resources, technical needs, or authority needed to carry out the provisions of this act. On or before November 15, 2025, the Division shall submit a written report to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and on Government Operations containing the needs assessments conducted by the State agencies and departments identified in this section.

* * * Municipal Finances and Indebtedness * * *

Sec. 6. 24 V.S.A. § 1585 is added to read:

§ 1585. UNASSIGNED FUND BALANCE

Monies from a budget approved by the voters at an annual or special meeting that are not expended by the end of a municipality's fiscal year shall be under the control and direction of the legislative body of the municipality and may be carried forward from year to year as an unassigned fund balance. Unassigned fund balances may be invested and reinvested as are other monies received by a town treasurer and may be expended for any public purpose as established by the legislative body of the municipality.

Sec. 7. 24 V.S.A. § 1790 is added to read:

§ 1790. EMERGENCY BORROWING; ALL-HAZARD EVENT OR STATE OF EMERGENCY

The legislative body of a municipality may borrow money, in the name of the municipal corporation, by issuance of its notes or orders for the purpose of paying expenses of the municipal corporation or for public improvements associated with an all-hazards event or a declared state of emergency pursuant to 20 V.S.A. chapter 1. The notes or orders shall be for a period of not more than five years or a term not to exceed the reasonably anticipated useful life of the improvements or assets financed by the notes or orders.

Sec. 8. 24 V.S.A. § 1759 is amended to read:

§ 1759. DENOMINATIONS; PAYMENTS; INTEREST

(a)(1) Any bond issued under this subchapter shall draw interest at a rate not to exceed the rate approved by the voters of the municipal corporation in accordance with section 1758 of this title, or if no rate is specified in the vote under that section, at a rate approved by the legislative ~~branch~~ body of the municipal corporation, ~~such~~ the interest to be payable ~~semiannually~~ as determined by the legislative body of the municipal corporation. ~~Such~~ The bonds or bond shall be payable serially, the first payment to be deferred not later than from one to five years after the issuance of the bonds and subsequent principal payments or debt service payments, which include both principal and interest payments, to be continued annually in ~~equal~~ substantially level or ~~diminishing~~ declining amounts, as determined by the legislative body of the municipality, so that the entire debt will be paid in not more than 20 years from the date of issue.

(2) In the case of bonds issued for the purchase or development of a municipal forest, the first payment may be deferred not more than 30 years from the date of issuance ~~thereof~~ of the bond. ~~Thereafter such~~ After any deferral period, the bonds or bond shall be payable annually in ~~equal~~ substantially level or ~~diminishing amounts~~ declining annual debt service as the legislative body of the municipal corporation may determine, so that the entire debt will be paid in not more than 60 years from the date of issue.

* * *

(b) General obligation bonds authorized under this subchapter for the purpose of financing the improvement, construction, acquisition, repair, renovation, and replacement of a municipal plant as defined in 30 V.S.A. § 2901 shall be paid serially, the first payment to be deferred not later than from one to five years after the issuance of the bonds, and subsequent principal payments or debt service payments, which include both principal and interest payments, to be continued annually in substantially level or declining amounts, as determined by the legislative body of the municipal corporation, so that the entire debt will be paid ~~over a term equal to the useful life of the financed improvements, but~~ not more than 40 years from the date of issue, ~~and may be so arranged that beginning with the first year in which principal is payable, the amount of principal and interest in any year shall be as nearly equal as is practicable according to the denomination in which such bonds are issued,~~ notwithstanding other permissible payment schedules authorized by this section.

* * * Dam Drawdown During Emergency Flood Events * * *

Sec. 9. 20 V.S.A. § 9 is amended to read:

§ 9. EMERGENCY POWERS OF GOVERNOR

(a) Subject to the provisions of this chapter, in the event of an all-hazards event in or directed upon the United States or Canada that causes or may cause substantial damage or injury to persons or property within the State in any manner, the Governor may declare a state of emergency within the entire State or any portion or portions of the State. Thereafter, the Governor shall have and may exercise for as long as the Governor determines the emergency to exist the following additional powers within ~~such~~ the area or areas:

* * *

(b)(1) In consultation with the Secretary of Natural Resources or designee, the Governor may authorize the Agency of Natural Resources to waive applicable permits and restrictions under 10 V.S.A. chapter 47 or the Vermont Water Quality Standards to allow dams within the State to draw down water levels in anticipation of a flood event that is likely to cause substantial damage or injury to persons or property. Waivers may only be issued if the Director of the Division of Emergency Management, in consultation with the Secretary of Natural Resources or designee, has significant reason to believe that authorizing an advance drawdown will decrease the risk of substantial damage to persons or property within the State. The Secretary or designee shall, to the extent feasible, consult with applicable dam owners for federally licensed sites. Dam operators operating under a waiver shall be required to make every effort to minimize the environmental impact of a water level drawdown under the authorized waiver.

(2) Dam owners authorized to use a waiver under this subsection shall be required to develop a drawdown plan that is approved by the Secretary prior to implementation of a drawdown. This subdivision shall not apply to dam owners that have other plans approved by the Secretary in effect that address emergency drawdowns. The drawdown plan shall at minimum include the following:

(A) hydrologic and hydraulic modeling of the dam, reservoir, and downstream channel performed by an engineer experienced in dam safety engineering that proves the public safety benefit of pre-event drawdown;

(B) dam owner communications with downstream communities and applicable regulators prior to and during drawdown operations;

(C) maximum safe reservoir drawdown rates and outflows, as well as ramping rates for drawdown operations;

(D) target drawdown elevation in the reservoir;

(E) refill plan if unable to achieve during storm event;

(F) monitoring and reporting requirements of drawdown operations; and

(G) documentation of plan updates and revisions over time.

Sec. 10. [Deleted.]

* * * Local Option Tax; Amount Paid to Municipality * * *

Sec. 11. 24 V.S.A. § 138 is amended to read:

§ 138. LOCAL OPTION TAXES

* * *

(c)(1) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes and subdivision (2) of this subsection; provided, however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of $5.96 shall be assessed, ~~70~~ 75 percent of which shall be borne by the municipality, and ~~30~~ 25 percent of which shall be borne by the State to be paid from the PILOT Special Fund. Notwithstanding 32 V.S.A. § 603 or any other provision of law or municipal charter to the contrary, revenue from the fee shall be used to compensate the Department for the costs of administering and collecting the local option tax and of administering the State appraisal and litigation program established in 32 V.S.A. § 5413. The fee shall be subject to the provisions of 32 V.S.A. § 605.

* * *

(d)(1) Except as provided in subsection (c) of this section and subdivision (2) of this subsection with respect to taxes collected on the sale of aviation jet fuel, of the taxes collected under this section, ~~70~~ 75 percent of the taxes shall be paid on a quarterly basis to the municipality in which they were collected, after reduction for the costs of administration and collection under subsection (c) of this section. Revenues received by a municipality may be expended for municipal services only, and not for education expenditures. Any remaining revenue shall be deposited into the PILOT Special Fund established by 32 V.S.A. § 3709.

* * *

* * * Municipal Charters; Local Option Tax Revenue Share * * *

Sec. 12. 24 App. V.S.A. chapter 3, § 102d is amended to read:

§ 102d. LOCAL OPTION SALES TAX AUTHORITY

The Burlington City Council is authorized to impose a one percent sales tax upon sales within the City that are subject to the State of Vermont sales tax with the same exemptions as the State sales tax. The City sales tax shall be effective beginning on the next tax quarter following 30 days' notice in 2006 to the Department of Taxes, or shall be effective on the next tax quarter following 90 days' notice to the Department of Taxes if notice is given in 2007 or after. Any tax imposed under the authority of this section shall be collected and administered by the Vermont Department of Taxes in accordance with State law governing the State sales tax. ~~Seventy percent of the~~ The taxes collected shall be paid to the City~~, and the remaining amount of the taxes collected shall be remitted to the State Treasurer for deposit in the PILOT Special Fund first established in 1997 Acts and Resolves No. 60, Sec. 89. The cost of administration and collection of this tax shall be paid 70 percent by the City and 30 percent by the State from the PILOT Special Fund~~ pursuant to 24 V.S.A. § 138. The tax to be paid to the City~~, less its obligation for 70 percent of the costs of administration and collection,~~ pursuant to 24 V.S.A. § 138 shall be paid ~~to the City~~ on a quarterly basis and may be expended by the City for municipal services only and not for education expenditures.

Sec. 13. 24 App. V.S.A. chapter 5, § 1214 is amended to read:

§ 1214. LOCAL OPTION TAXES

Local option taxes are authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues. Accordingly:

* * *

(3) ~~Of the taxes reported under this section, 70 percent shall be paid to the City for calendar years thereafter. Such revenues~~ The City's local option tax revenue may be expended by the City for municipal services only and not for educational expenditures. The remaining amount of the taxes reported shall be remitted monthly to the State Treasurer for deposit in the PILOT Special Fund set forth in 32 V.S.A. § 3709. Taxes due to the City under this section shall be paid by the State on a quarterly basis.

Sec. 14. 24 App. V.S.A. chapter 127, § 1308a is amended to read:

§ 1308a. SALES, ROOMS, MEALS, AND ALCOHOLIC BEVERAGES TAX

* * *

(d) ~~Of the taxes collected under this section, 70 percent~~ The share of taxes due to the Town pursuant to 24 V.S.A. § 138 shall be paid to the Town on a quarterly basis ~~to the Town~~ after reduction for the costs of administration and collection under subsection (c) of this section. Revenues received by the Town may be expended for municipal services only and not for education expenditures. Any remaining revenues shall be deposited in the PILOT Special Fund established by 32 V.S.A. § 3709.

Sec. 15. 24 App. V.S.A. chapter 171, § 18 is amended to read:

§ 18. LOCAL OPTIONS TAX

The Selectboard is authorized to impose a one percent sales tax, a one percent meals and alcoholic beverages tax, and a one percent rooms tax upon sales within the Town that are subject to the State of Vermont tax on sales, meals, alcoholic beverages, and rooms. The Town tax shall be implemented in the event the State local options tax as provided for in 24 V.S.A. § 138 is repealed or the 70-percent allocation to the town is reduced. A tax imposed under the authority of this section shall be collected and administered by the Vermont Department of Taxes in accordance with State law governing the State tax on sales, meals, alcoholic beverages, and rooms. The ~~amount of 70 percent of the~~ taxes collected shall be paid to the Town~~, and the remaining amount of the taxes collected shall be remitted to the State Treasurer for deposit in the Pilot Special Fund first established in 1997 Acts and Resolves No. 60, § 89~~ pursuant to 24 V.S.A. § 138. The cost of administration and collection of this tax shall be paid ~~70 percent by the Town and 30 percent by the State from the Pilot Special Fund~~ pursuant to 24 V.S.A. § 138. The tax to be paid to the Town~~, less its obligation for the 70 percent of the costs of administration and collection,~~ pursuant to 24 V.S.A. § 138 shall be paid to the Town on a quarterly basis and may be expended by the Town for municipal services only and not for education expenditures. The Town may repeal the local option taxes by Australian ballot vote.

* * * Division of Emergency Management; Technical Corrections * * *

Sec. 16. 20 V.S.A. chapter 1 is amended to read:

CHAPTER 1. EMERGENCY MANAGEMENT

* * *

§ 2. DEFINITIONS

As used in this chapter:

* * *

(3) "Director" means the Director of ~~Vermont~~ the Division of Emergency Management of the Department of Public Safety.

* * *

§ 3. VERMONT EMERGENCY MANAGEMENT ~~DIVISION~~

(a) There is hereby created within the Department of Public Safety ~~a division to~~ the Division of Emergency Management, which may also be known as ~~the~~ Vermont Emergency Management ~~Division~~.

* * *

§ 4. LANGUAGE ASSISTANCE SERVICES FOR STATE EMERGENCY COMMUNICATIONS

(a) If an all-hazards event occurs, the ~~Vermont Emergency Management~~ Division shall ensure that language assistance services are available for all State communications regarding the all-hazards event, including relevant press conferences and emergency alerts, as soon as practicable. Language assistance services shall be provided for:

* * *

(c) Annually, the ~~Vermont Emergency Management~~ Division shall hold a public meeting with members of the Vermont Deaf, Hard of Hearing, and DeafBlind Advisory Council; the Office of Racial Equity; the Vermont Association of Broadcasters; and other relevant stakeholders to review the adequacy and efficacy of the provision and distribution of language assistance services of emergency communications over mass communication platforms to individuals who are Deaf, Hard of Hearing, and DeafBlind as well as individuals with limited English language proficiency.

* * *

Sec. 17. 20 V.S.A. § 112 is amended to read:

§ 112. ADDITIONAL PROVISIONS — ARTICLE X

* * *

(b) The ~~director~~ Director of ~~the~~ Vermont ~~emergency management service~~ Emergency Management shall be the authorized representative in regard to a request from a party state or by Vermont for aid that does not involve personnel or elements of the Vermont National Guard.

* * *

(d) The ~~director~~ Director of Vermont ~~emergency management~~ Emergency Management shall be responsible for handling any and all documents

necessary to obtain reimbursement hereunder for services rendered to a requesting state, or within Vermont by another assisting state.

* * *

Sec. 18. 10 V.S.A. § 599a is amended to read:

§ 599a. REPORTS; RULEMAKING

* * *

(c) In adopting the Strategy, the Agency shall:

* * *

(2) in consultation with other State agencies and departments, including the Department of Public Safety's Division of ~~Vermont~~ Emergency Management, assess the adaptation needs and vulnerabilities of various areas vital to the State's economy, normal functioning, and the health and well-being of Vermonters;

* * *

Sec. 19. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

(e) The Commissioner may, in the Commissioner's discretion and subject to such conditions and requirements as the Commissioner may provide, including any confidentiality requirements of the Internal Revenue Service, disclose a return or return information:

* * *

(24) To the Division of ~~Vermont~~ Emergency Management at the Department of Public Safety for the purposes of emergency management and communication, and to the Department of Housing and Community Development and any organization then under contract with the Department of Housing and Community Development to carry out a statewide housing needs assessment for the purpose of the statewide housing needs assessment, provided that the disclosure relates to the information collected on the landlord certificate pursuant to subsection 6069(c) of this title.

* * *

* * * Rulemaking; Federal Regulations Incorporated by Reference * * *

Sec. 20. 3 V.S.A. § 850 is added to read:

§ 850. RULES; INCORPORATION OF FEDERAL REGULATIONS

Any federal regulation incorporated by reference into a Vermont Rule as of January 1, 2025 shall continue in effect as a State rule until January 31, 2029 or when the State rule is next amended, whichever is sooner, regardless of whether the federal rule was later repealed or amended. The secretary of an agency or commissioner of a department, as applicable, shall provide notice of these incorporated regulations by posting them on the agency or department website. Nothing in this section shall prevent the secretary or commissioner from adopting or amending a rule pursuant to this chapter, including emergency rulemaking.

* * * Property Tax Overpayment Refunds; City of Barre and Town of Milton * * *

Sec. 21. EDUCATION FUND REFUND; CITY OF BARRE TIF DISTRICT; TAX INCREMENT; FY 2016–FY 2020

Notwithstanding any other provision of law, the sum of $437,028.00 shall be transferred from the Education Fund to the City of Barre not later than fiscal year 2026 to compensate the City for overpayments of education property taxes in fiscal years 2016 through 2020 due to insufficient retention of tax increment from the City's Tax Increment Financing District fund.

Sec. 22. EDUCATION FUND REFUND; MILTON TOWN CORE TIF DISTRICT; TAX INCREMENT; FY 2017–FY 2023

Notwithstanding any other provision of law, the sum of $184,451.00 shall be transferred from the Education Fund to the Town of Milton not later than fiscal year 2026 to compensate the Town for overpayments of education property taxes in fiscal years 2017 through 2023 due to insufficient retention of tax increment from the Town Core's Tax Increment Financing District fund.

Sec. 23. REPEAL

3 V.S.A. § 850 (rules; incorporation of federal regulations) is repealed on January 31, 2029.

* * * Effective Dates * * *

Sec. 24. EFFECTIVE DATES

(a) This section and Sec. 20 (rules; incorporation of federal regulations) shall take effect on passage.

(b) Sec. 11 (local option taxes) shall take effect on October 1, 2025.

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

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 26, 2025, pages 723 to 737)

Reported favorably with recommendation of proposal of amendment 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 Government Operations, with further recommendation of proposal of amendment by adding a new section to be Sec. 22a to read as follows:

Sec. 22a. 2023 Acts and Resolves No. 72, Sec. 37 is amended to read:

Sec. 37. TAX INCREMENT FINANCING DISTRICT; CITY OF BARRE; EXTENSION; INCREMENT

(a) Notwithstanding 2021 Acts and Resolves No. 73, Sec. 26a, amending 2020 Acts and Resolves No. 175, Sec. 29, or any other provision of law, the authority of the City of Barre to incur indebtedness is hereby extended to March 31, ~~2026~~ 2028.

(b) Notwithstanding any other provision of law, the authority of the City of Barre to retain municipal and education tax increment is hereby extended until June 30, 2039.

(Committee vote: 4-0-3)

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

The Committee recommends that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Government Operations and Finance, with further recommendation of proposal of amendment by striking out Secs. 21 and 22 in their entireties and inserting in lieu thereof a new Sec. 21 to read as follows:

Sec. 21. GENERAL FUND TRANSFER TO THE EDUCATION FUND; APPROPRIATION FOR COMPENSATION FOR OVERPAYMENT

(a) In fiscal year 2026, in addition to any other fund transfers made, $621,479.00 shall be transferred from the General Fund to the Education Fund to compensate the City of Barre and the Town of Milton for overpayment of education property tax increment from Tax Increment Financing District funds, pursuant to the findings of State Auditor Reports Nos. 21-03 and 24-06.

(b) Notwithstanding 16 V.S.A. § 4025, in fiscal year 2026, $621,479.00 Education Fund shall be appropriated to the Department of Taxes for the following:

(1) $437,028.00 to make a payment to the City of Barre to compensate the City for overpayments of education property taxes in fiscal years 2016 through 2020 due to insufficient retention of tax increment by the City's Tax Increment Financing District fund; and

(2) $184,451.00 to make a payment to the Town of Milton to compensate the Town for overpayments of education property taxes in fiscal years 2017 through 2023 due to insufficient retention of tax increment by the Town's Tax Increment Financing District fund.

and by renumbering the remaining sections to be numerically correct.

(Committee vote: 5-0-2)

House Proposal of Amendment

S. 59.

An act relating to amendments to Vermont's Open Meeting Law.

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

Sec. 1. 1 V.S.A. § 310 is amended to read:

§ 310. DEFINITIONS

As used in this subchapter:

* * *

(9) "Undue hardship" means an action ~~required to achieve compliance would require~~ requiring significant difficulty or expense to the unit of government to which a public body belongs, considered in light of factors including the overall size of the entity, ~~sufficient~~ the availability of necessary personnel and ~~staffing availability~~ staff, the entity's ~~budget~~ available resources, and the costs associated with compliance.

Sec. 2. 1 V.S.A. § 312 is amended to read:

§ 312. RIGHT TO ATTEND MEETINGS OF PUBLIC ~~AGENCIES~~ BODIES

(a)(1) All meetings of a public body are declared to be open to the public at all times, except as provided in section 313 of this title. No resolution, rule, regulation, appointment, or formal action shall be considered binding except as taken or made at such open meeting, except as provided under subdivision 313(a)(2) of this title. A meeting of a public body is subject to the public

accommodation requirements of 9 V.S.A. chapter 139. A public body shall electronically record all public hearings held to provide a forum for public comment on a proposed rule, pursuant to 3 V.S.A. § 840. The public shall have access to copies of such electronic recordings as described in section 316 of this title.

* * *

(3)(A) State ~~nonadvisory~~ public bodies; hybrid meeting requirement; exception for advisory bodies. Any public body of the State, except advisory bodies, shall:

~~(A)~~(i) hold all regular and special meetings in a hybrid fashion, which shall include both a designated physical meeting location and a designated electronic meeting platform;

~~(B)~~(ii) electronically record all meetings; and

~~(C)~~(iii) for a minimum of 30 days following the approval and posting of the official minutes for a meeting, retain the audiovisual recording and post the recording in a designated electronic location.

(B) Exception; site inspections and field visits. This subdivision (3) shall not apply to gatherings of a State public body for purposes of a site inspection or field visit.

(C) Application of subdivision; State public bodies only. This subdivision (3) applies exclusively to State public bodies.

* * *

(5) State ~~nonadvisory~~ public bodies; State and local advisory bodies; designating electronic platforms. ~~State nonadvisory~~ A public ~~bodies~~ body meeting ~~in a hybrid fashion~~ pursuant to subdivision (3) ~~of this subsection and State and local advisory bodies meeting without a physical meeting location~~ or advisory body meeting pursuant to subdivision (4) of this subsection shall designate and use an electronic platform that allows the direct access, attendance, and participation of the public, including access by telephone. The public body shall post information that enables the public to directly access the designated electronic platform and include this information in the published agenda or public notice for the meeting.

(6) Local ~~nonadvisory~~ public bodies; meeting recordings.

(A) A public body of a municipality or political subdivision, except advisory bodies, shall record or cause to record, in audio or video form, any meeting of the public body and post a copy of the recording in a designated electronic location for a minimum of 30 days following the ~~approval and~~

posting of the ~~official~~ minutes for a meeting. This subdivision (A) shall not apply to gatherings of a public body for purposes of a site inspection or field visit.

* * *

(c)(1) The time and place of all regular meetings subject to this section shall be clearly designated by statute, charter, regulation, ordinance, bylaw, resolution, or other determining authority of the public body, and this information shall be available to any person upon request. The time and place of all public hearings and meetings scheduled by all Executive Branch State agencies, departments, boards, or commissions shall be available to the public as required under 3 V.S.A. § 2222(c).

(2) The time, place, and purpose of a special meeting subject to this section shall be publicly announced at least 24 hours before the meeting. Municipal public bodies shall post notices of special meetings in or near the municipal clerk's office and in at least two other designated public places in the municipality or a neighboring municipality, at least 24 hours before the meeting. In addition, notice shall be given, either orally or in writing, to each member of the public body at least 24 hours before the meeting, except that a member may waive notice of a special meeting.

* * *

(d)(1) At least 48 hours prior to a regular meeting, and at least 24 hours prior to a special meeting, a meeting agenda shall be:

* * *

(B) in the case of a municipal public body, posted in or near the municipal office and in at least two other designated public places in the municipality or a neighboring municipality.

* * *

(3) A meeting agenda shall contain sufficient details concerning the specific matters to be discussed by the public body. Whenever a public body includes an executive session as an item on a posted meeting agenda, the public body shall list the agenda item as "proposed executive session" and indicate the nature of the business of the executive session.

(4)(A) Any addition to or deletion from the agenda shall be made as the first act of business at the meeting.

* * *

(k) Training.

(1) Annually, the following officers shall participate in a professional training that addresses the procedures and requirements of this subchapter:

(A) for municipalities and political subdivisions, the chair of the legislative body, town manager, and mayor; ~~and~~

(B) for the State, the chair of any public body that is not an advisory body; and

(C) the members of a State advisory body, provided that the advisory body is composed entirely of members who are not government officers or employees.

* * *

Sec. 3. 1 V.S.A. § 313 is amended to read:

§ 313. EXECUTIVE SESSIONS

(a) No public body may hold or conclude an executive session from which the public is excluded, except by the affirmative vote of two-thirds of its members present in the case of any public body of State government or of a majority of its members present in the case of any public body of a municipality or other political subdivision. A motion to go into executive session shall indicate the nature of the business of the executive session, and no other matter may be considered in the executive session. ~~Such~~ The vote to enter executive session shall be taken in the course of an open meeting and the result of the vote recorded in the minutes. No formal or binding action shall be taken in executive session except for actions relating to the securing of real estate options under subdivision (2) of this subsection. Minutes of an executive session need not be taken, but if they are, the minutes shall, notwithstanding subsection 312(b) of this title, be exempt from public copying and inspection under the Public Records Act. A public body may not hold an executive session except to consider one or more of the following:

* * *

(10) security, cybersecurity, or emergency response measures, the disclosure of which could jeopardize public safety; or

(11) confidential business information relating to the interest rates for publicly financed loans, provided that the public body is a State public body and the creditor for the loan.

* * *

Sec. 4. LEGISLATIVE INTENT

It is the intent of the General Assembly that section 5 of this act amend 13 V.S.A. § 1026 to conform subdivision (a)(4) of that section with the constitutional requirements articulated in the Supreme Court of Vermont decision *State v. Colby*, 185 Vt. 464 (2009).

Sec. 5. 13 V.S.A. § 1026 is amended to read:

§ 1026. DISORDERLY CONDUCT

(a) A person is guilty of disorderly conduct if ~~he or she~~ the person, with intent to cause public inconvenience or annoyance, or recklessly creates a risk thereof:

* * *

(4) without lawful authority, disturbs any lawful assembly or meeting of persons; or

* * *

(c) As used in this section:

(1) "Disturbs any lawful assembly or meeting of persons" means conduct that substantially impairs the effective conduct of an assembly or meeting, including conduct that:

(A) causes an assembly or meeting to terminate prematurely; or

(B) consists of numerous and sustained efforts to disrupt an assembly or meeting after being asked to desist.

(2) "Meeting" includes a meeting of a public body, as those terms are defined in 1 V.S.A. § 310.

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

NOTICE CALENDAR

Second Reading

Favorable

H. 458.

An act relating to the Agency of Digital Services.

Reported favorably by Senator Major for the Committee on Institutions.

(Committee vote: 5-0-0)
(No House amendments)

Favorable with Proposal of Amendment

H. 321.

An act relating to miscellaneous cannabis amendments.

Reported favorably with recommendation of proposal of amendment by Senator Clarkson for the Committee on Economic Development, Housing and General Affairs.

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

First: By adding a new section to be Sec. 2a to read as follows:

Sec. 2a. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

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

(b) The Fund shall be composed of:

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

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title; and

(3) 70 percent of the cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902.

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapters 33, 35, and 37 of this title.

(d) At the end of each fiscal year, the balance in the Cannabis Regulation Fund shall be transferred to the General Fund.

Second: By adding a new section to be Sec. 2b to read as follows:

Sec. 2b. 10 V.S.A. § 325u is amended to read:

§ 325u. VERMONT LAND ACCESS AND OPPORTUNITY BOARD

* * *

(b) Organization of Board. The Board shall be composed of:

* * *

(10) one member, appointed by the Vermont Developmental Disabilities Council; ~~and~~

(11) one member, appointed by Vermont Psychiatric Survivors; and

(12) one member, appointed by Migrant Justice.

* * *

Third: By striking out Sec. 12, 7 V.S.A. § 910, in its entirety and inserting in lieu thereof the following:

Sec. 12. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

(1) Cultivators.

(A) Outdoor cultivators.

(i) Outdoor cultivator tier 1. Outdoor cultivators with up to 1,000 square feet of plant canopy or fewer than 125 cannabis plants in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$750.00~~ $375.00.

(ii) Outdoor cultivator tier 2. Outdoor cultivators with up to 2,500 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$1,875.00~~ $925.00.

(iii) Outdoor cultivator tier 3. Outdoor cultivators with up to 5,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$4,000.00~~ $2,000.00.

(iv) Outdoor cultivator tier 4. Outdoor cultivators with up to 10,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$8,000.00~~ $4,000.00.

(v) Outdoor cultivator tier 5. Outdoor cultivators with up to 20,000 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of ~~$18,000.00~~ $9,000.00.

~~(vi) Outdoor cultivator tier 6. Outdoor cultivators with up to 37,500 square feet of plant canopy in an outdoor cultivation space shall be assessed an annual licensing fee of $34,000.00.~~

(B) Indoor cultivators.

(i) Indoor cultivator tier 1. Indoor cultivators with up to 1,000 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of $1,500.00.

(ii) Indoor cultivator tier 2. Indoor cultivators with up to 2,500 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of $3,750.00.

(iii) Indoor cultivator tier 3. Indoor cultivators with up to 5,000 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of ~~$8,000.00~~ $16,000.00.

(iv) Indoor cultivator tier 4. Indoor cultivators with up to 10,000 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of ~~$16,000.00~~ $32,000.00.

(v) Indoor cultivator tier 5. Indoor cultivators with up to 15,000 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of ~~$36,000.00~~ $72,000.00.

~~(vi) Indoor cultivator tier 6. Indoor cultivators with up to 25,000 square feet of plant canopy in an indoor cultivation space shall be assessed an annual licensing fee of $75,000.00.~~

(C) Mixed cultivator tiers.

(i) Mixed cultivator tier 1. Mixed cultivators with the following at the same licensed premises shall be assessed an annual licensing fee of ~~$2,250.00~~ $1,875.00: up to 1,000 square feet of plant canopy in an indoor cultivation space and up to 125 cannabis plants in an outdoor cultivation space.

(ii) Mixed cultivator tier 2. Mixed cultivators with the following at the same licensed premises shall be assessed an annual licensing fee of $5,625.00: up to 2,500 square feet of plant canopy in an indoor cultivation space and up to 312 cannabis plants in an outdoor cultivation space.

(iii) Mixed cultivator tier 3. Mixed cultivators with the following at the same licensed premises shall be assessed an annual licensing fee of ~~$5,500.00~~ $3,500.00: up to 1,000 square feet of plant canopy in an indoor cultivation space and up to 625 cannabis plants in an outdoor cultivation space.

(iv) Mixed cultivator tier 4. Mixed cultivators with the following at the same licensed premises shall be assessed an annual licensing fee of ~~$9,500.00~~ $5,500.00: up to 1,000 square feet of plant canopy in an indoor cultivation space and up to 1,250 cannabis plants in an outdoor cultivation space.

(v) Mixed cultivator tier 5. Mixed cultivators with the following at the same licensed premises shall be assessed an annual licensing fee of ~~$19,500.00~~ $10,500.00: up to 1,000 square feet of plant canopy in an indoor cultivation space and up to 2,500 cannabis plants in an outdoor cultivation space.

* * *

(8) Trim and harvest services. Trim and harvest services shall be assessed an annual licensing fee of $500.00.

(9) Employees. Cannabis establishments licensed by the Board shall be assessed an annual licensing fee of $50.00 for each employee. The Board shall offer one-year and two-year employee licenses.

~~(9)~~(10) Products. Cannabis establishments licensed by the Board shall be assessed ~~an annual~~ a product licensing fee of $50.00 per year for every type of cannabis and cannabis product that is sold in accordance with this chapter. Product registrations shall be valid for two years unless the Board determines, through readily accessible published guidance, that such a registration should be longer or shorter and shall be prorated at the same cost per year.

~~(10)~~(11) Local licensing fees. Cannabis establishments licensed by the Board shall be assessed an annual local licensing fee of $100.00 in addition to each fee assessed under subdivisions (1)–(7) of this section. Local licensing fees shall be distributed to the municipality in which the cannabis establishment is located pursuant to section 846(c) of this title.

~~(11)~~(12) ~~One-time fees~~ Application fee.

~~(A)~~ All applicants for a cannabis establishment license shall be assessed an initial one-time application fee of $1,000.00.

~~(B) An applicant may choose to be assessed an initial one-time intent-to-apply fee of $500.00. If the applicant subsequently seeks a license within one year after paying the intent-to-apply fee, the initial one-time application fee of $1,000.00 shall be reduced by $500.00.~~

Fourth: By inserting two new sections to be Secs. 15a and 15b to read as follows:

Sec. 15a. CANNABIS SHOWCASE EVENT PERMIT PILOT

(a) A licensed retail cannabis establishment in good standing with the Board may apply to the Board for a cannabis showcase event permit. Multiple retailers may apply and be granted permission to participate in each event, but the Board shall allow not more than five events between July 1, 2025 and

December 31, 2026, and such events shall be issued in geographically dispersed locations.

(b) A permit issued under this section shall authorize the recipient to coordinate, oversee, and be the responsible administrator of a single, defined commercial event, held at a defined access-controlled location, for a defined period not to exceed 24 hours, at which cannabis or cannabis products lawfully may be purchased and possessed by screened participants acting in conformity with terms set out by the Board in the issued permit.

(c) To be eligible for a cannabis showcase event permit, an applicant retail cannabis establishment shall demonstrate to the Board's satisfaction:

(1) written approval to pursue a permit in the proposed location, from the cannabis control commission created by the municipality pursuant to 7 V.S.A. § 863, if one exists, or from the local legislative body or designee;

(2) partnership with a minimum of three tier 1 or tier 2 licensed cultivators or product manufacturers that are in good standing with the Board and wholly independent of the retail cannabis establishment and its affiliates who will be showcased at the event;

(3) a commitment that the retailer will not offer for sale any cannabis or cannabis products produced from a cultivator license or product manufacturer license held by the retailer;

(4) a transparent revenue-sharing agreement that, in the Board's sole judgment, meaningfully promotes the goals of the General Assembly to promote market access for small cultivators;

(5) a security plan to ensure intoxicated persons or persons under 21 years of age cannot access the space subject to the permit, that the premises are secured from diversion or inversion, and that the premises lawfully may be used for the purpose intended;

(6) a product sale plan that describes quantities and types of cannabis and cannabis products that will be offered for sale and explains how they will be transported to the site, monitored, secured, displayed, and sold in conformity with State law and Board rule;

(7) actual capacity and intent to administer and enforce and apply the required plans;

(8) proof of commercially reasonable insurance for the proposed event; and

(9) compliance with such other requirements as the Board may prescribe.

(d) Deviation from security and sales plans, product tracking and taxation requirements, or permit terms shall be a violation subject to adverse licensing action consistent with Board rules.

(e) Permittee cannabis establishments shall be assessed a fee of $250.00 to apply for a Cannabis Showcase Event Permit of which 50 percent shall be distributed to the host municipality and 50 percent shall be deposited in the Cannabis Regulation Fund.

(f) The Board shall prioritize social equity applicants, as defined by 7 V.S.A. § 911 and any related rules, when deciding whether to approve an application under this section.

Sec 15b. CANNABIS RETAIL SALES REPORT

The Cannabis Control Board shall monitor and evaluate events authorized under Sec. 15a of this act. On or before January 15, 2026, the Board shall provide an interim report and, on or before January 15, 2027, a final report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on a concise assessment of the benefits, challenges, and administrative viability of offering cannabis retail sales at events outside the confines of a retail cannabis establishment. The Board may recommend best practices for, among other considerations, security, inventory tracking, tax enforcement, permit administration, local government coordination, and optimizing market access for small cultivators.

Fifth: By striking out Sec. 16, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 16. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that Sec. 2a, 7 V.S.A. § 845, shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 21, 2025, pages 673 to 685)

Reported favorably with recommendation of proposal of amendment by Senator Chittenden 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 Economic Development, Housing and General Affairs, with further recommendation of proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 7 V.S.A. § 832 is amended to read:

§ 832. CANNABIS POSSESSED UNLAWFULLY SUBJECT TO SEIZURE AND FORFEITURE

Cannabis possessed unlawfully in violation of this title or administrative rules adopted pursuant to this title may be seized by law enforcement and is subject to forfeiture.

Sec. 2. 7 V.S.A. § 844 is amended to read:

§ 844. AUTHORITY FOR CRIMINAL BACKGROUND CHECKS

(a) The Board shall establish a user agreement with the Vermont Crime Information Center in accordance with 20 V.S.A. chapter 117 for the purpose of obtaining Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation as required by chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries) of this title.

(b) A fingerprint-based state and national criminal history record check shall be conducted for each natural person prior to being issued a cannabis establishment identification card pursuant to chapter 33 (cannabis establishments) of this title or a medical cannabis dispensary identification card pursuant to chapter 37 (medical cannabis dispensaries) of this title. The Board may require that such record checks be completed as a condition precedent to license renewal.

Sec. 2a. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

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

(b) The Fund shall be composed of:

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

(2) all annual and renewal fees collected by the Board pursuant to chapter 35 (medical cannabis registry) of this title; and

(3) 70 percent of the cannabis excise tax revenue raised pursuant to 32 V.S.A. § 7902.

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and chapters 33, 35, and 37 of this title.

(d) At the end of each fiscal year, the balance in the Cannabis Regulation Fund shall be transferred to the General Fund.

Sec. 2b. 10 V.S.A. § 325u is amended to read:

§ 325u. VERMONT LAND ACCESS AND OPPORTUNITY BOARD

* * *

(b) Organization of Board. The Board shall be composed of:

* * *

(10) one member, appointed by the Vermont Developmental Disabilities Council; ~~and~~

(11) one member, appointed by Vermont Psychiatric Survivors; and

(12) one member, appointed by Migrant Justice.

* * *

Sec. 3. 7 V.S.A. § 861(23) is amended to read:

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

(B) Notwithstanding subdivision (A) of this subdivision (23), "hemp products" and "hemp-infused products" do not include any substance, manufacturing intermediary, or product that:

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

(ii) contains more than 0.3 percent total tetrahydrocannabinol on a dry-weight basis.

(C) A hemp-derived product or substance that is excluded from the definition of "hemp products" or "hemp-infused products" pursuant to subdivision (B) of this subdivision (23) shall be considered a cannabis product as defined by subdivision 831(3) of this title; provided, however, that a person

duly licensed or registered by the Cannabis Control Board lawfully may possess such products in conformity with the person's license or hemp processor registration.

Sec. 4. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1) ~~(8)~~(9) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

(A) the form and content of license and renewal applications;

(B) qualifications for licensure that are directly and demonstrably related to the operation of a cannabis establishment, including:

(i) a requirement to submit an operating plan, which shall include information concerning:

(I) the type of business organization, the identity of its controlling owners and principals, and the identity of the controlling owners and principals of its affiliates; and

(II) the sources, amount, and nature of its capital, assets, and financing; the identity of its financiers; and the identity of the controlling owners and principals of its financiers;

(ii) a requirement to file an amendment to its operating plan in the event of a significant change in organization, operation, or financing; and

(iii) the requirement for a fingerprint-based criminal history record check and regulatory record check pursuant to section 883 of this title;

(C) oversight requirements, including provisions to ensure that a licensed establishment complies with State and federal regulatory requirements governing insurance, securities, workers' compensation, unemployment insurance, and occupational health and safety;

(D) inspection requirements;

(E) records to be kept by licensees and the required availability of the records;

(F) employment and training requirements;

(G) security requirements, including any appropriate lighting, physical security, video, and alarm requirements;

(H) health and safety requirements;

(I) regulation of additives to cannabis and cannabis products, including cannabidiol derived from hemp and substances that are toxic or designed to make the product more addictive, more appealing to persons under 21 years of age, or to mislead consumers;

(J) procedures for seed-to-sale traceability of cannabis, including any requirements for tracking software;

(K) regulation of the storage and transportation of cannabis;

(L) sanitary requirements;

(M) procedures for the renewal of a license, which shall allow renewal applications to be submitted up to 90 days prior to the expiration of the cannabis establishment's license;

(N) procedures for suspension and revocation of a license;

(O) requirements for banking and financial transactions, including provisions to ensure that the Board, the Department of Financial Regulation, and financial institutions have access to relevant information concerning licensed establishments to comply with State and federal regulatory requirements;

(P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:

(i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;

(ii) a minimum age requirement and a requirement to conduct a background check for natural persons;

(iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and

(iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates, which the Board, in consultation with the Department of Financial Regulation, determines are necessary to protect the public health, safety, and general welfare;

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition;

(R) advertising and marketing; ~~and~~

(S) requirements for cannabis control testing of hemp, hemp-infused products, cannabis, and cannabis products; and

(T) requirements and criteria governing licensee applications to change ownership, control, or location.

* * *

(5) Rules concerning retailers shall include:

* * *

(F) location or siting requirements that increase the geographic distribution of ~~new~~ cannabis retail establishments based on regional population ~~and~~, market needs, and community input; and

* * *

(9) Rules concerning trim and harvest services shall include:

(A) requirements for verification of the licenses of clients;

(B) essential content and permissible terms of written service contracts, including provisions for security and diversion prevention;

(C) provisions to ensure safe and lawful transportation and lodging of travelling personnel;

(D) essential content of employee health, safety, and skills training, including first aid and recognition of common pests and pathogens;

(E) requirements appropriate to minimize the risk of pest and pathogen transmission; and

(F) procedures for documenting lawful compensation.

* * *

Sec. 5. 7 V.S.A. § 883 is amended to read:

§ 883. CRIMINAL BACKGROUND RECORD CHECKS; APPLICANTS

(a) The Board shall obtain from the Vermont Crime Information Center a copy of a fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation for each license applicant, principal of an applicant, and person who controls an applicant who is a natural person. Checks may be repeated for good cause or with prudent frequency as determined by the Board.

(b) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a cannabis establishment license because of ~~his or her~~ the applicant's criminal history record based on factors

that demonstrate whether the applicant presently poses a threat to public safety or the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

(c) Notwithstanding subsection (a) of this section or subsection 844(b) of this title, if required records are not reasonably available to the Board due to circumstances beyond its control, with the consent of the applicant, the Board may accept third-party criminal background checks ~~submitted by an applicant for a cannabis establishment license or renewal in lieu of obtaining the records from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation~~ from a reputable commercial provider. Any such third-party background check shall~~:~~

~~(1) be conducted by a third-party consumer reporting agency or background screening company that is in compliance with the federal Fair Credit Reporting Act; and~~

~~(2)~~ include a multistate and ~~multi-jurisdiction~~ multijurisdiction criminal record locator. Consumer credit scores shall not be a basis for license denial.

Sec. 6. 7 V.S.A. § 884 is amended to read:

§ 884. CANNABIS ESTABLISHMENT IDENTIFICATION CARD

(a) Every owner, principal, and employee of a cannabis establishment shall obtain an identification card issued by the Board. A person may apply for an identification card prior to obtaining employment with a licensee. An employee identification card shall authorize the person to work for any licensee.

(b)(1)(A) Prior to issuing the identification card to an owner or principal of a cannabis establishment, the Board shall obtain from the Vermont Crime Information Center a copy of the person's Vermont fingerprint-based criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.

(B) Prior to issuing the identification card to an employee of a cannabis establishment, the Board shall obtain a copy of a fingerprint-based identity history summary record from the Federal Bureau of Investigation.

(2) The Board shall adopt rules that set forth standards for determining whether a person should be denied a cannabis establishment identification card because of ~~his or her~~ the person's criminal history record based on factors that demonstrate whether the applicant presently poses a threat to public safety or

the proper functioning of the regulated market. Nonviolent drug offenses shall not automatically disqualify an applicant.

(c) Once an identification card application has been submitted, ~~a person~~ the Board, for good cause, may ~~serve~~ issue a temporary permit authorizing the applicant to serve as an employee of a cannabis establishment pending the background check, provided the person is supervised ~~in his or her duties~~ by someone who is a cardholder. ~~The Board shall issue a temporary permit to the person for this purpose, which shall expire upon the issuance of the identification card or disqualification of the person in accordance with this section~~ Good cause exists if, among other reasons, the application is reasonably expected to take more than 12 days to process.

(d) An identification card shall expire one year after its issuance or, in the case of owners and principals, upon the expiration of the cannabis establishment's license, whichever occurs first.

Sec. 7. 7 V.S.A. § 886 is added to read:

§ 886. INCAPACITY OR DISTRESS; SPECIAL PERMITTING; IMMUNITY

(a) It is the purpose of this section to authorize the Board to effectively oversee cannabis establishments and the persons authorized to operate such establishments in case of incapacity of a principal, dysfunction, operating distress, interruption in licensure, abrupt closure, or judicial intervention including receivership.

(b) The Board may issue a special permit temporarily authorizing a licensed or unlicensed designee of suitable ability and judgment to temporarily operate a cannabis establishment, or to possess, transport, or dispose of cannabis and cannabis products, as specified by the terms of the permit. The permit shall be printed on official Board letterhead, bear the signature of the Chair of the Board, state clearly a means of prompt authentication by law enforcement and licensees, and specify start and end dates and times. A person's eligibility for a permit under this subsection shall not be limited by subdivision 901(d)(3) of this title.

(c) A person acting in conformity with the terms and scope of a special permit issued pursuant to subsection (b) of this section shall be immune from civil and criminal liability in relation to possession, transportation, or transfer of cannabis within the borders of this State. The Board shall not be liable for economic losses resulting from forfeiture, seizure, sequestration, sale stoppage, transportation, storage, or destruction of cannabis or cannabis products.

(d) If appropriate to facilitate judicial proceedings involving a cannabis establishment or its principals, including an action for receivership, a State court of competent jurisdiction may request that the Board determine whether a person is suited by background and qualifications to hold a special permit issued pursuant to subsection (b) of this section for a purpose specified by the court. In the alternative, the court may ask that the Board recommend such person.

Sec. 8. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

(b) All licenses shall be valid for one year and expire at midnight on the eve of the anniversary of the date the license was issued. A licensee may apply to renew the license annually.

(c) Applications for licenses and renewals shall be submitted on forms provided by the Board and shall be accompanied by the fees provided for in section 910 of this title.

(d)(1) There shall be ~~seven~~ eight types of licenses available:

(A) a cultivator license;

(B) a propagator license;

(C) a wholesaler license;

(D) a product manufacturer license;

(E) a retailer license;

(F) a testing laboratory license; ~~and~~

(G) a trim and harvest service license; and

(H) an integrated license.

(2)(A) The Board shall develop tiers for:

(i) cultivator licenses based on the plant canopy size of the cultivation operation or plant count for breeding stock; and

(ii) retailer licenses.

(B) The Board may develop tiers for other types of licenses.

(3)(A) Except as provided in subdivisions (B) and (C) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions (1)(A)–~~(F)~~(G) of this subsection (d). Each license shall permit only one location of the establishment, however a trim and harvest service licensee may provide services at multiple other licensed cannabis establishments.

(B) An applicant and its affiliates that control a dispensary registered on April 1, 2022 may obtain one integrated license provided in subdivision (1)~~(G)~~(H) of this subsection (d) or a maximum of one of each type of license provided in subdivisions (1)(A)–(F) of this subsection (d). An integrated licensee may not hold a separate cultivator, propagator, wholesaler, product manufacturer, retailer, or testing laboratory license, and no applicant or its affiliates that control a dispensary shall hold more than one integrated license. An integrated license shall permit only one location for each of the types of activities permitted by the license: cultivation, propagator, wholesale operations, product manufacturing, retail sales, and testing.

(C) An applicant and its affiliates may obtain multiple testing laboratory licenses.

(e) A dispensary that obtains a retailer license or an integrated license pursuant to this chapter shall maintain the dispensary and retail operations in a manner that protects patient and caregiver privacy in accordance with rules adopted by the Board.

(f) Each licensee shall obtain and maintain commercial general liability insurance in accordance with rules adopted by the Board. Failure to provide proof of insurance to the Board, as required, may result in revocation of the license.

(g) All licenses may be renewed according to procedures adopted through rulemaking by the Board.

(h) [Repealed.]

Sec. 9. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

* * *

(d) Each cultivator shall create packaging for its cannabis.

(1) Packaging shall include:

(A) The name and registration number of the cultivator.

(B) The strain and variety of cannabis contained.

(C) The potency of the cannabis represented by the amount of tetrahydrocannabinol and cannabidiol in milligrams total and per serving.

(D) A ~~"produced on" date reflecting the date that the cultivator finished producing the cannabis~~ "harvested on" date reflecting the date the cultivator harvested the cannabis and a "packed on" date reflecting the date the product was packaged for sale.

(E) Appropriate warnings as prescribed by the Board in rule.

(F) Any additional requirements contained in rules adopted by the Board in accordance with this chapter. Rules shall take into consideration that different labeling requirements may be appropriate depending on whether the cannabis is sold to a wholesaler, product manufacturer, or retailer.

(2) Packaging shall not be designed to appeal to persons under 21 years of age.

* * *

Sec. 10. 7 V.S.A. § 904b is amended to read:

§ 904b. PROPAGATION CULTIVATOR LICENSE

(a) A propagation cultivator licensed under this section may:

(1) cultivate not more than 3,500 square feet of cannabis clones, immature cannabis plants, or mature cannabis plants;

(2) test, transport, and sell cannabis clones and immature cannabis plants to licensed cultivators and retailers; and

(3) test, transport, and sell cannabis seeds that meet the federal definition of hemp to a licensed cultivator or retailer or to the public.

(b) A licensed propagation cultivator shall not cultivate mature cannabis plants for the purpose of producing, harvesting, transferring, or selling cannabis flower for or to any person.

Sec. 11. 7 V.S.A. § 904c is added to read:

§ 904c. TRIM AND HARVEST SERVICE LICENSE

A trim and harvest service licensed under this section may contract with cultivators licensed under section 904 or 904a of this chapter, on a seasonal or temporary basis, to supply specified cannabis maintenance services within the scope of each client-cultivator's license.

Sec. 12. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(8) Trim and harvest services. Trim and harvest services shall be assessed an annual licensing fee of $500.00.

(9) Employees. Cannabis establishments licensed by the Board shall be assessed an annual licensing fee of $50.00 for each employee. The Board shall offer one-year and two-year employee licenses.

~~(9)~~(10) Products. Cannabis establishments licensed by the Board shall be assessed an annual product licensing fee of $50.00 for every type of cannabis and cannabis product that is sold in accordance with this chapter. The Board may issue longer product registrations, prorated at the same cost per year, for products it deems low risk and shelf stable. Such products may be defined and distinguished in readily accessible published guidance.

~~(10)~~(11) Local licensing fees. Cannabis establishments licensed by the Board shall be assessed an annual local licensing fee of $100.00 in addition to each fee assessed under subdivisions (1)–(7) of this section. Local licensing fees shall be distributed to the municipality in which the cannabis establishment is located pursuant to section 846(c) of this title.

~~(11)~~(12) ~~One-time fees~~ Application fee.

~~(A)~~ All applicants for a cannabis establishment license shall be assessed an initial one-time application fee of $1,000.00.

~~(B) An applicant may choose to be assessed an initial one-time intent-to-apply fee of $500.00. If the applicant subsequently seeks a license within one year after paying the intent-to-apply fee, the initial one-time application fee of $1,000.00 shall be reduced by $500.00.~~

Sec. 12a. CANNABIS CONTROL BOARD REPORT; PROPOSAL FOR FEES AND APPROPRIATIONS FOR FISCAL YEAR 2027

(a) On or before November 15, 2025, the Cannabis Control Board shall submit to the House Committees on Ways and Means and on Government Operations and Military Affairs and the Senate Committees on Finance and on Economic Development, Housing and General Affairs a report that includes the following information:

(1) a summary of all cannabis fees in effect in fiscal year 2026, including the amounts of revenue derived from each fee in fiscal year 2025;

(2) a projection of the fee revenues in fiscal year 2026;

(3) any available information regarding comparable fees in other jurisdictions;

(4) any polices or trends that might affect the viability of the fee amount; and

(5) a recommendation regarding how the cannabis establishment fee schedule as set forth in 7 V.S.A. § 910 may be adjusted to better promote the intent of the General Assembly to encourage participation in the regulated cannabis market by small local farmers and social equity applicants.

(b) As part of the report required under subsection (a) of this section, the Cannabis Control Board shall recommend whether a portion of the cannabis excise tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Business Development Fund for uses as provided pursuant to 7 V.S.A. § 987 and the Vermont Land Access and Opportunity Board to fulfill the duties of the Board.

Sec. 13. 32 V.S.A. § 3260 is amended to read:

§ 3260. BULK SALES

(a) Whenever a person (transferor) required to collect or withhold a trust tax pursuant to chapter 151, 207, 225, or 233 of this title shall make any sale, transfer, long-term lease, or assignment (transfer) in bulk of any part or the whole of the assets of a business, otherwise than in the ordinary course of the business, the purchaser, transferee or assignee (transferee) shall, at least 10 days before taking possession of the subject of the transfer or before payment therefore if earlier, notify the Commissioner in writing of the proposed sale and of the price, terms, and conditions thereof whether or not the transferor has represented to or informed the transferee that the transferor owes any trust tax pursuant to chapter 151, 207, 225, or 233 and whether or not the transferee has knowledge that such taxes are owed, and whether any taxes are in fact owed.

(b) Whenever the transferee shall fail to give notice to the Commissioner as required by subsection (a) of this section, or whenever the Commissioner shall inform the transferee that a possible claim for tax exists, any sums of money, property, or choses in action, or other consideration, which the transferee is required to transfer over to or for the transferor, shall be subject to a first priority right and lien for any taxes theretofore or thereafter determined to be due from the transferor to the State, and the transferee is forbidden to transfer the consideration to or for the transferor to the extent of the amount of the State's claim.

(c) For failure to comply with this section, the transferee shall be personally liable for the payment to the State of any taxes theretofore or thereafter determined to be due to the State from the transferor and the liability may be assessed and enforced in the same manner as the liability for tax under chapter 151, 207, 225, or 233.

* * *

Sec. 13a. 32 V.S.A. § 7702 is amended to read:

§ 7702. DEFINITIONS

As used in this chapter unless the context otherwise requires:

* * *

(15) "Other tobacco products" means any product manufactured from, derived from, or containing tobacco or nicotine, whether natural or synthetic, including nicotine alkaloids and nicotine analogs, that is intended for human consumption by smoking, chewing, or in any other manner, including products sold as a tobacco substitute, as defined in 7 V.S.A. § 1001(8), and including any liquids, whether nicotine based or not, or delivery devices sold separately for use with a tobacco substitute, but shall not include cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco as defined in this section, or cannabis products as defined in 7 V.S.A. § 831.

* * *

(20) "New smokeless tobacco" means any tobacco product manufactured from, derived from, or containing tobacco or nicotine, whether natural or synthetic, including nicotine alkaloids and nicotine analogs, that is not intended to be smoked, has a moisture content of less than 45 percent, or is offered in individual single-dose tablets or other discrete single-use units.

* * *

Sec. 14. 2020 Acts and Resolves No. 164, Sec. 6d, as amended by 2023 Acts and Resolves No. 3, Sec. 90, is further amended to read:

Sec. 6d. [Deleted.]

Sec. 15. CANNABIS CONTROL BOARD; ENFORCEMENT ATTORNEY; POSITION

One full-time, permanent, exempt position of Enforcement Attorney is authorized in the Cannabis Control Board in fiscal year 2026.

Sec. 15a. CANNABIS SHOWCASE EVENT PERMIT PILOT

(a) A licensed retail cannabis establishment in good standing with the Board may apply to the Board for a cannabis showcase event permit. Multiple retailers may apply and be granted permission to participate in each event, but the Board shall allow not more than five events between July 1, 2025 and December 31, 2026, and such events shall be issued in geographically dispersed locations.

(b) A permit issued under this section shall authorize the recipient to coordinate, oversee, and be the responsible administrator of a single, defined commercial event, held at a defined access-controlled location, for a defined period not to exceed 24 hours, at which cannabis or cannabis products lawfully may be purchased and possessed by screened participants acting in conformity with terms set out by the Board in the issued permit.

(c) To be eligible for a cannabis showcase event permit, an applicant retail cannabis establishment shall demonstrate to the Board's satisfaction:

(1) written approval to pursue a permit in the proposed location, from the cannabis control commission created by the municipality pursuant to 7 V.S.A. § 863, if one exists, or from the local legislative body or designee;

(2) partnership with a minimum of three tier 1 or tier 2 licensed cultivators or product manufacturers that are in good standing with the Board and wholly independent of the retail cannabis establishment and its affiliates who will be showcased at the event;

(3) a commitment that the retailer will not offer for sale any cannabis or cannabis products produced from a cultivator license or product manufacturer license held by the retailer;

(4) a transparent revenue-sharing agreement that, in the Board's sole judgment, meaningfully promotes the goals of the General Assembly to promote market access for small cultivators;

(5) a security plan to ensure intoxicated persons or persons under 21 years of age cannot access the space subject to the permit, that the premises are secured from diversion or inversion, and that the premises lawfully may be used for the purpose intended;

(6) a product sale plan that describes quantities and types of cannabis and cannabis products that will be offered for sale and explains how they will be transported to the site, monitored, secured, displayed, and sold in conformity with State law and Board rule;

(7) actual capacity and intent to administer and enforce and apply the required plans;

(8) proof of commercially reasonable insurance for the proposed event; and

(9) compliance with such other requirements as the Board may prescribe.

(d) Deviation from security and sales plans, product tracking and taxation requirements, or permit terms shall be a violation subject to adverse licensing action consistent with Board rules.

(e) Permittee cannabis establishments shall be assessed a fee of $250.00 to apply for a Cannabis Showcase Event Permit of which 50 percent shall be distributed to the host municipality and 50 percent shall be deposited in the Cannabis Regulation Fund.

(f) The Board shall prioritize social equity applicants, as defined by 7 V.S.A. § 911 and any related rules, when deciding whether to approve an application under this section.

Sec 15b. CANNABIS RETAIL SALES REPORT

The Cannabis Control Board shall monitor and evaluate events authorized under Sec. 15a of this act. On or before January 15, 2026, the Board shall provide an interim report and, on or before January 15, 2027, a final report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs on a concise assessment of the benefits, challenges, and administrative viability of offering cannabis retail sales at events outside the confines of a retail cannabis establishment. The Board may recommend best practices for, among other considerations, security, inventory tracking, tax enforcement, permit administration, local government coordination, and optimizing market access for small cultivators.

Sec. 16. EFFECTIVE DATES

This act shall take effect July 1, 2025, except that Sec. 2a (7 V.S.A. § 845) shall take effect on July 1, 2026.

(Committee vote: 4-0-3)

H. 484.

An act relating to miscellaneous agricultural subjects.

Reported favorably with recommendation of proposal of amendment by Senator Ingalls for the Committee on Agriculture.

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:

* * * Beneficial Substances * * *

Sec. 1. 6 V.S.A. chapter 28 is amended to read:

CHAPTER 28. FERTILIZER ~~AND~~, LIME, AND BENEFICIAL SUBSTANCES

§ 361. TITLE

This chapter shall be known as the "Fertilizer, Lime, ~~Plant Amendment, Plant Biostimulant, and Soil Amendment~~ and Beneficial Substances Law."

§ 362. ENFORCING OFFICIAL

This chapter shall be administered by the Secretary of Agriculture, Food and Markets or designee, hereafter referred to as the Secretary.

§ 363. DEFINITIONS

As used in this chapter:

(1) "Agricultural lime" or "agricultural liming material" or "lime" means one or more of the following:

(A) All products with calcium and magnesium compounds that are capable of neutralizing soil acidity and that are intended, sold, or offered for sale for agricultural or plant propagation purposes.

(B) Limestone consisting essentially of calcium carbonate or a combination of calcium carbonate with magnesium carbonate capable of neutralizing soil acidity.

(C) Industrial waste or industrial ~~by-products~~ byproducts that contain calcium; calcium and magnesium; or calcium, magnesium, and potassium in forms that are capable of neutralizing soil acidity and that are intended, sold, or offered for sale for agricultural purposes. For the purposes of this chapter, the terms "agricultural lime," "lime," and "agricultural liming material" ~~shall~~ have the same meaning.

(2) "Beneficial substance" means any substance or compound, other than primary, secondary, and micro plant nutrients (fertilizers), and excluding pesticides, that can be demonstrated by scientific research to be beneficial to one or more species of plants, soil, or media. Beneficial substances include plant amendments, plant biostimulants, plant inoculants, soil amendments, soil inoculants, and other chemical or biological substances beneficial to plants or their growing environment.

(3) "Brand" means a term, design, or trademark used in connection with one or more grades or formulas of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime.

~~(3)~~(4) "Distribute" means to import, consign, manufacture, produce, compound, mix, blend, offer for sale, sell, barter, or supply a fertilizer, ~~a plant amendment, a plant biostimulant, a soil amendment~~ a beneficial substance, or lime in this State through any means, including sales outlets, catalogues, the telephone, the internet, or any electronic means.

~~(4)~~(5) "Distributor" means any person who distributes fertilizer, ~~plant amendment, plant biostimulant, soil amendments~~ beneficial substance, or lime.

~~(5)~~(6) "Exceptional quality biosolid" means a product derived in whole or in part from domestic wastes that have been subjected to and meet the requirements of the following:

(A) a pathogen reduction process established in 40 C.F.R. § 503.32(a)(3), (4), (7), or (8);

(B) one of the vector attraction reduction standards established in 40 C.F.R. § 503.33;

(C) the contaminant concentration limits in Vermont Solid Waste Rules § 6-1303(a)(1); and

(D) if derived from a composting process, Vermont Solid Waste Rules § 6-1303(a)(5).

~~(6)~~(7) "Fertilizer" means any substance containing one or more recognized plant nutrients that is used for its plant nutrient content and that is designed for use or claimed to have value in promoting plant growth or health, except unprocessed animal or vegetable manures and other products exempted by the Secretary.

(A) A fertilizer material is a substance that either:

(i) contains important quantities of at least one of the primary plant nutrients: nitrogen, phosphorus, or potassium;

(ii) has 85 percent or more of its plant nutrient content present in the form of a single chemical compound; or

(iii) is derived from a plant or chemical residue or ~~by-product~~ byproduct or natural material deposit that has been processed in such a way that its content of plant nutrients has not been materially changed except by purification and concentration.

(B) A mixed fertilizer is a fertilizer containing any combination or mixture of fertilizer materials.

(C) A specialty fertilizer is a fertilizer distributed for nonfarm use.

(D) A bulk fertilizer is a fertilizer distributed in a nonpackaged form.

~~(7)~~(8) "Formulation" means a material or mixture of materials prepared according to a particular formula.

~~(8)~~(9) "Grade" means the percentage of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or potash stated in whole numbers in the same terms, order, or percentages as in the guaranteed analysis. Specialty fertilizers and fertilizer materials may be guaranteed in fractional terms. Any grade expressed in fractional terms that is not preceded by a whole number shall be preceded by zero.

~~(9)~~(10) "Guaranteed analysis" means:

(A) in reference to fertilizer, the minimum percentages of plant nutrients claimed by the manufacturer or producer of the product in the following order and form: nitrogen, phosphorus, and potash; and

(B) in reference to agricultural lime or agricultural liming material, the minimum percentages of calcium oxide and magnesium oxide or calcium carbonate and the calcium carbonate equivalent, or both, as claimed by the manufacturer or producer of the product.

~~(10)~~(11) "Label" means the display of all written, printed, or graphic matter upon the immediate container or a statement accompanying a fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime.

~~(11)~~(12) "Labeling" means all written, printed, or graphic material upon or accompanying any fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime, including advertisements, brochures, posters, and television and radio announcements used in promoting the sale of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime.

~~(12)~~(13) "Official sample" means any sample of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime taken by the Secretary.

~~(13)~~(14) "Plant amendment" means any substance applied to plants or seeds that is intended to improve growth, yield, product quality, reproduction, flavor, or other favorable characteristics of plants, except for fertilizer, soil amendments, agricultural liming materials, animal and vegetable manures, pesticides, plant regulators, and other materials exempted by rule adopted under this chapter.

~~(14)~~(15) "Plant biostimulant" means a substance ~~or,~~ microorganism, or mixtures thereof that, when applied to seeds, plants, ~~or~~ the rhizosphere, ~~stimulates~~ soil, or other growth media act to support a plant's natural nutrition processes ~~to enhance or benefit nutrient uptake, nutrient efficiency, tolerance to abiotic stress, or crop quality and yield, except for fertilizers, soil amendments, plant amendments, or pesticides~~ independently of the biostimulant's nutrient content. The plant biostimulant thereby improves nutrient availability, uptake, or use efficiency; tolerance to abiotic stress; and consequent growth development, quality, or yield. ~~The Secretary may modify the definition of "plant biostimulant" by rule or procedure in order to maintain consistency with U.S. Department of Agriculture requirements.~~

(16) "Plant inoculant" means a product consisting of microorganisms to be applied to the plant or soil for the purpose of enhancing the availability or uptake of plant nutrients through the root system.

~~(15)~~(17) "Percent" or "percentage" means the percentage by weight.

~~(16)~~(18) "Primary nutrient" includes nitrogen, available phosphoric acid or phosphorus, and soluble potash or potassium.

~~(17)~~(19) "Product" means the name of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime that identifies it as to kind, class, or specific use.

~~(18)~~(20) "Registrant" means the person who registers a fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime under the provisions of this chapter.

~~(19)~~(21) "Soil amendment" means a substance or mixture of substance that is intended to improve the physical, chemical, biochemical, biological, or other characteristics of the soil or a distinct form of horticultural growing media used in lieu of soil. "Soil amendment" does not mean fertilizers, agricultural liming materials, unprocessed animal manures, unprocessed vegetable manures, pesticides, ~~plant biostimulants,~~ and other materials

exempted by rule. A compost product from a facility under the jurisdiction of the Agency of Natural Resources' Solid Waste Management Rules or exceptional quality biosolids shall not be regulated as a soil amendment under this chapter, unless marketed and distributed for the use in the production of an agricultural commodity.

(22) "Soil inoculant" means a microbial product that is applied to colonize the soil to benefit the soil chemistry, biology, or structure.

~~(20)~~(23) "Ton" means a net weight of 2,000 pounds avoirdupois.

~~(21)~~(24) "Use" includes all purposes for which a fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime is applied.

~~(22)~~(25) "Weight" means the weight of undried material as offered for sale.

§ 364. REGISTRATION

(a) Each brand or grade or formula of fertilizer~~, plant amendment, plant biostimulant,~~ or ~~soil amendment~~ beneficial substance shall be registered in the name of the person whose name appears upon the label before being distributed in this State. The application for registration shall be submitted to the Secretary on a form furnished by the Agency of Agriculture, Food and Markets and shall be accompanied by a fee of $85.00 per grade or formulation registered. Upon approval by the Secretary, a copy of the registration shall be furnished to the applicant. All registrations expire on December 31 of each year. The application shall include the following information:

(1) the brand and grade or formulation;

(2) the guaranteed analysis if applicable; and

(3) the name and address of the registrant.

(b) A distributor shall not be required to register any fertilizer~~, plant amendment, plant biostimulant, or soil amendment~~ or beneficial substance that is already registered under this chapter by another person, provided there is no change in the label for the fertilizer~~, plant amendment, plant biostimulant, or soil amendment~~ or beneficial substance.

(c) Each beneficial substance brand shall refer to a specific formulation. Different brands may refer to the same specific formulation. Products for which formulations change, such as changes in the "Contains Beneficial Substances" analysis, statement of composition, or anything that implies a different product, must obtain a new registration with a brand that distinguishes it from the previous formulation.

(d) A distributor shall not be required to register each grade of fertilizer formulated or each formulation of soil amendment according to specifications that are furnished by a consumer prior to mixing but shall be required to label the fertilizer or soil amendment as provided in subsection 365(b) of this title.

~~(d)~~(e) The Secretary may request additional proof of testing of products prior to registration for guaranteed analyses or adulterants.

~~(e)~~(f) Each separately identified agricultural lime product shall be registered before being distributed in this State. Registration shall be performed in the same manner as fertilizer registration except that each application shall be accompanied by a fee of $50.00 per product.

~~(f)~~(g) The registration and tonnage fees, along with any deficiency penalties collected pursuant to sections 331 and 372 of this title, shall be deposited in a special fund. Funds deposited in this fund shall be restricted to implementing and administering the provisions of this title and any other provisions of law relating to feeds and seeds.

§ 365. LABELS

(a)(1) Any fertilizer or agricultural lime distributed in this State in containers shall have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information:

(A) net weight;

(B) brand and grade, provided that grade shall not be required when no primary nutrients are claimed;

(C) guaranteed analysis; and

(D) name and address of the registrant.

(2) For bulk shipments, this information in written or printed form shall accompany delivery and be supplied to the purchaser at the time of delivery.

(b) A fertilizer or lime formulated according to specifications furnished by a consumer prior to mixing shall be labeled to show the net weight, the guaranteed analysis or name, analysis and weight of each ingredient used in the mixture, and the name and address of the distributor and purchaser.

(c) If the Secretary finds that a requirement for expressing calcium and magnesium in elemental form would not impose an economic hardship on distributors and users of agricultural liming materials by reason of conflicting label requirements among states, the Secretary may require by rule that the minimum percent of calcium oxide and magnesium oxide or calcium carbonate and magnesium carbonate, or both, shall be expressed in the following terms:

Total Calcium (Ca) ..... percent

Total Magnesium (Mg) ..... percent

(d)(1) Any ~~plant amendment, plant biostimulant, or soil amendment~~ beneficial substance distributed in this State in containers shall have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information:

(A) net weight or volume;

(B) brand name;

(C) purpose statement identifying the purpose of the product;

(D) directions for application or use;

(E) ~~guaranteed analysis; and~~

~~(F)~~ name and address of the registrant; and

(F) a statement of composition showing the amount of each ingredient, which is the agent in a product primarily responsible for the intended effects using the following format:

CONTAINS BENEFICIAL SUBSTANCE(S)

Name of beneficial substance % (or acceptable units)

Genus and species of microorganism % viable CFU/cm3, /ml, /g, or other acceptable units

(Identify and list all beneficial substances. Substances shall include ingredient source, if applicable. Ex. "humic acid from leonardite or saponin from Yucca schidigera").

(2) For products that claim microorganisms, labels shall also include:

(A) the expiration date for use; and

(B) storage conditions.

(3) For bulk shipments of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substances, or lime, the information required under this subsection shall accompany delivery in written or printed form and shall be supplied to the purchaser at the time of delivery.

(4) Efficacy data may be required to support beneficial substance ingredient claims if the ingredient is not presently defined by the Association of American Plant Food Control Officials' Official Publication for the particular claim.

~~(3)~~(5) Under a rule adopted under this subsection, an affected person shall be given a reasonable time to come into compliance.

§ 366. TONNAGE FEES

(a) A person distributing fertilizer to a nonregistrant consumer in the State annually shall pay the following fees to the Secretary:

(1) a $150.00 minimum tonnage fee;

(2) $0.50 per ton of agricultural fertilizer distributed; and

(3) $30.00 per ton of nonagricultural fertilizer distributed.

(b) Persons distributing fertilizer shall report annually on or before January 15 for the previous year ending December 31 to the Secretary revealing the amounts of each grade of fertilizer and the form in which the fertilizer was distributed within this State. Each report shall be accompanied with payment and written permission allowing the Secretary to examine the person's books for the purpose of verifying tonnage reports.

(c) No information concerning tonnage sales furnished to the Secretary under this section shall be disclosed in such a way as to divulge the details of the business operation to any person unless it is necessary for the enforcement of the provisions of this chapter.

(d) Persons distributing a ~~plant amendment, plant biostimulant, or soil amendment~~ beneficial substance in the State shall report annually on or before January 15 for the previous year ending December 31 to the Secretary revealing the amounts of each formulation of ~~plant amendment, plant biostimulant, or soil amendment~~ beneficial substance and the form in which the ~~plant amendment, plant biostimulant, or soil amendment~~ beneficial substance was distributed within this State. Each report shall include a written authorization allowing the Secretary to examine the person's books for the purpose of verifying tonnage reports. ~~Plant amendments, plant biostimulants, and soil amendments are~~ A beneficial substance is exempt from tonnage fees.

(e) Agricultural limes, including agricultural lime mixed with wood ash, are exempt from the tonnage fees required in this section.

(f) Lime and wood ash mixtures may be registered as agricultural liming materials and guaranteed for potassium or potash, provided that the wood ash totals less than 50 percent of the mixture.

(g)(1) All fees collected under subdivisions (a)(1) and (2) of this section shall be deposited in the special fund created by subsection 364(f) of this title and used in accordance with its provisions.

(2) All fees collected under subdivision (a)(3) of this section shall be deposited in the Agricultural Water Quality Special Fund created under section 4803 of this title.

(h) [Repealed.]

§ 367. INSPECTION; SAMPLING; ANALYSIS

For the purpose of enforcing this chapter and determining whether ~~or not~~ fertilizers, ~~plant amendment, plant biostimulant, soil amendments~~ beneficial substances, and lime distributed in this State endanger the health and safety of Vermont citizens, the Secretary upon presenting appropriate credentials is authorized:

(1) To enter any public or private premises except domiciles during regular business hours and stop and enter any vehicle being used to transport or hold fertilizer, ~~a plant amendment, a plant biostimulant, a soil amendment~~ beneficial substances, or lime.

(2) To inspect blending plants, warehouses, establishments, vehicles, equipment, finished or unfinished materials, containers, labeling, and records relating to distribution, storage, or use.

(3) To sample and analyze any fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime. The methods of sampling and analysis shall be those adopted by the Association of Official Analytical Chemists. In cases not covered by this method or in cases where methods are available in which improved applicability has been demonstrated, the Secretary may authorize and adopt methods that reflect sound analytical procedures.

(4) To develop any reasonable means necessary to monitor and adopt rules for the use of fertilizers, ~~plant amendments, plant biostimulants, soil amendments~~ beneficial substances, and lime on Vermont soils where monitoring indicates environmental or health problems. In addition, the Secretary may develop and adopt rules for the proper storage of fertilizers, ~~plant amendments, plant biostimulants, soil amendments~~ beneficial substances, and lime held for distribution or sale.

§ 368. MISBRANDING

(a) No person shall distribute a misbranded fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or agricultural lime. A fertilizer~~, plant amendment, plant biostimulant,~~ or ~~soil amendment~~ beneficial substance shall be deemed to be misbranded if the Secretary determines one or more of the following:

(1) The labeling is false or misleading in any particular.

(2) It is distributed under the name of another fertilizer product~~, plant amendment, plant biostimulant,~~ or ~~soil amendment~~ beneficial substance.

(3) It contains unsubstantiated claims.

(4) It is not labeled as required in section 365 of this title and in accordance with rules adopted under this chapter.

(5) It is labeled, or represented, to contain a plant nutrient that does not conform to the standard of identity established by rule. In adopting rules under this chapter, the Secretary shall ~~give consideration to~~ consider definitions recommended by the Association of American Plant Food Control Officials.

(b) An agricultural lime shall be deemed to be misbranded if:

(1) its labeling is false or misleading in any particular; or

(2) it is not labeled as required by section 365 of this title and in accordance with rules adopted under this chapter.

§ 369. ADULTERATION

No person shall distribute an adulterated lime, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or fertilizer product. A fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime shall be deemed to be adulterated if:

(1) it contains any deleterious or harmful ingredient in an amount sufficient to render it injurious to beneficial plant life, animals, humans, aquatic life, soil, or water when applied in accordance with directions for use on the label, or if uses of the product may result in contamination or condemnation of a raw agricultural commodity by use, or if adequate warning statements or directions for use that may be necessary to protect plant life, animals, humans, aquatic life, soil, or water are not shown on the label;

(2) its composition falls below or differs from that which it is purported to possess by its labeling;

(3) it contains crop seed or weed seed; or

(4) it contains heavy metals, radioactive substances, or synthetic organics in amounts sufficient to render it injurious to livestock or human health when applied in accordance with directions for use on the label, or if adequate warning statements or directions for use that may be necessary to protect livestock or human health are not shown on the label.

§ 370. PUBLICATION; CONSUMER INFORMATION REGARDING USE ON NONAGRICULTURAL TURF OF FERTILIZER~~, PLANT AMENDMENTS, PLANT BIOSTIMULANTS,~~ AND ~~SOIL AMENDMENTS~~ BENEFICIAL SUBSTANCES

(a) The Secretary shall publish on an annual basis:

(1) information concerning the distribution of fertilizers, ~~plant amendments, plant biostimulants, soil amendments~~ beneficial substances, and limes; and

(2) results of analyses based on official samples of fertilizers, ~~plant amendments, plant biostimulants, soil amendments~~ beneficial substances, and lime distributed within the State as compared with guaranteed analyses required pursuant to the terms of this chapter.

(b)(1) The Secretary, in consultation with the University of Vermont Extension, fertilizer industry representatives, lake groups, and other interested or affected parties, shall produce information for distribution to the general public with respect to the following:

(A) problems faced by the waters of the State because of discharges of phosphorus;

(B) an explanation of the extent to which phosphorus exists naturally in the soil;

(C) voluntary best management practices for the use of fertilizers containing phosphorus on nonagricultural turf; and

(D) best management practices for residential sources of phosphorus.

(2) The Secretary shall develop the information required under this subsection and make it available to the general public in the manner deemed most effective, which may include:

(A) conspicuous posting at the point of retail sale of fertilizer containing phosphorus, according to recommendations for how that conspicuous posting may best take place;

(B) public service announcements by means of electronic media; or

(C) other methods deemed by the Secretary to be likely to be effective.

* * *

§ 371. RULES

The Secretary is authorized to adopt rules pursuant to 3 V.S.A. chapter 25 as may be necessary to implement the intent of this chapter and to enforce those rules.

* * *

§ 374. SHORT WEIGHT

(a) If any fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or agricultural liming material is found to be short in net weight, the registrant of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime shall pay a penalty of three times the value of the actual shortage to the affected party.

(b) Each registrant shall be offered an opportunity for a hearing before the Secretary. Penalty payments shall be made within 30 days after notice of the Secretary's decision to assess a penalty. Proof of payment to the consumer shall be promptly forwarded to the Secretary by the registrant.

(c) If the consumer cannot be found, the amount of the penalty payments shall be paid to the Secretary who shall deposit the payment into the revolving account established by subsection 364(f) of this title.

(d) This section is not an exclusive cause of action, and persons affected may utilize any other right of action available under law.

§ 375. CANCELLATION OF REGISTRATION

The Secretary is authorized to cancel or suspend the registration of any fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime or refuse a registration application if the provisions of this chapter or the rules adopted under this chapter have been violated, provided that no registration shall be revoked or refused without a hearing before the Secretary.

§ 376. DETAINED FERTILIZER, BENEFICIAL SUBSTANCE, AND LIME

(a) Withdrawal from distribution orders. When the Secretary has reasonable cause to believe any lot of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime is being distributed in violation of any of the provisions of this chapter or any of the rules under this chapter, the Secretary may issue and enforce a written or printed "withdrawal from distribution" order, warning the distributor not to dispose of the lot of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime in any manner until written permission is given by the Secretary or the court. The Secretary shall release the lot of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or

lime withdrawn when this chapter and rules have been complied with. If compliance is not obtained within 30 days, the Secretary may begin, or upon request of the distributor or registrant shall begin, proceedings for condemnation.

(b) Condemnation and confiscation. Any lot of fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime not in compliance with this chapter and rules shall be subject to seizure on complaint of the Secretary to a court of competent jurisdiction in the area in which the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime is located. In the event the court finds the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime to be in violation of this chapter and orders the condemnation of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime, it shall be disposed of in any manner consistent with the quality of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime and the laws of the State, provided that in no instance shall disposition of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime be ordered by the court without first giving the claimant an opportunity to apply to the court for release of the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime or for permission to process or relabel the fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime to bring it into compliance with this chapter.

* * *

§ 379. EXCHANGES BETWEEN MANUFACTURERS

Nothing in this chapter shall be construed to restrict or impair sales or exchanges of fertilizers~~, plant amendments, plant biostimulants, or soil amendments~~ or beneficial substances to each other by importers, manufacturers, or manipulators who mix fertilizer materials~~, plant amendments, plant biostimulants, or soil amendments~~ or beneficial substances for sale or to prevent the free and unrestricted shipments of fertilizer~~, plant amendments, plant biostimulant, or soil amendments~~ or beneficial substances to manufacturers or manipulators who have registered their brands as required by provisions of this chapter.

§ 380. ADMINISTRATIVE PENALTY

Consistent with chapter 1 of this title, the Secretary may assess an administrative penalty upon determining that a person has violated a rule issued under this chapter or has violated this chapter in the following manner:

(1) distributed a specialty fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime without first obtaining the appropriate product registration;

(2) distributed a fertilizer, ~~plant amendment, plant biostimulant, soil amendment~~ beneficial substance, or lime without appropriate and accurate labeling, including when a beneficial substance label does not reflect its composition;

(3) distributed any adulterated fertilizer, beneficial substance, or lime;

(4) failed to disclose on the label sources of potentially deleterious components;

(5) failed to report or to accurately report the amount and form of each grade of fertilizer distributed in Vermont on an annual basis;

~~(4)~~(6) failed to report or to accurately report the amount and form of each formulation of ~~plant amendment, plant biostimulant, or soil amendment~~ beneficial substance;

~~(5)~~(7) failed to pay the appropriate tonnage fee; or

~~(6)~~(8) violated a cease and desist order.

* * *

* * * Pesticides; Disposal * * *

Sec. 2. 6 V.S.A. § 918 is amended to read:

§ 918. REGISTRATION

* * *

(b)(1) The registrant shall pay an annual fee of $200.00 for each product registered, and $185.00 of that amount shall be deposited in the special fund created in section 929 of this title. Of the registration fees collected under this subsection, $15.00 of the amount collected shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title. Of the registration fees collected under this subsection, $25.00 of the amount collected shall be used to offset the additional costs of inspection of economic poison products and to provide educational services, training, and technical assistance to pesticide applicators, beekeepers, and the general public regarding the effects of pesticides on pollinators and the methods or best management practices to reduce the impacts of pesticides on pollinators. The annual registration year shall be from December 1 to November 30 of the following year.

(2) In addition to the fee required under subdivision (1) of this subsection, a registrant shall pay a fee of $50.00 per product registration that shall be deposited in the special fund created in section 929 of this title and used to meet the requirements of subdivision 929(a)(6) of this title. This additional fee shall be collected from registrants until such time as an extended producer responsibility program is implemented in the State that fully funds the collection of obsolete and unwanted pesticides.

* * *

Sec. 3. PESTICIDE DISPOSAL FUNDING STUDY

(a)(1) The Secretary of Agriculture, Food and Markets, in consultation with the Commissioner of Environmental Conservation, shall study options for sustainable funding sources to reimburse solid waste management entities for all costs associated with the collection and disposal of unwanted or obsolete pesticides at municipal hazardous waste collection programs and events.

(2) The costs to be reimbursed shall include the prorated costs related to facilities, equipment, labor, supplies, maintenance, and collection events. Prorated costs associated with collection events shall include collection event setup fees, environmental service fees, insurance fees, and shipping containers and materials related to the collection and disposal of unwanted or obsolete pesticides.

(3) The study shall include consideration of the viability of an extended producer responsibility program for pesticides among other options.

(4) The Secretary shall consult with stakeholders.

(b) On or before December 15, 2025, the Secretary of Agriculture, Food and Markets shall submit a written report on its findings to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and the Senate Committees on Agriculture and on Natural Resources and Energy. The report shall include a recommended funding mechanism that will cover all costs associated with collecting unwanted pesticides through municipal collection programs.

* * * Stormwater Permits * * *

Sec. 4. STORMWATER PERMITTING; RUTLAND COUNTY AGRICULTURAL SOCIETY, INC.

No stormwater impact fee or completion of an offset shall be required for the Rutland County Agricultural Society, Inc. under the three-acre stormwater permit required by 10 V.S.A. § 1264, provided that the Society is registered with the Agency of Agriculture, Food and Markets.

* * * Use Value Appraisal * * *

Sec. 5. 32 V.S.A. § 3752(1) is amended to read:

(1) "Agricultural land" means any land, exclusive of any housesite, in active use to grow hay or cultivated crops, pasture livestock, cultivate trees bearing edible fruit, or produce an annual maple product, and that is 25 acres or more in size, except as provided in this subdivision ~~(1)~~. Agricultural land shall include buffer zones as defined and required in the Agency of Agriculture, Food and Markets' Required Agricultural Practices rule adopted under 6 V.S.A. chapter 215. There shall be a presumption that the land is used for agricultural purposes if:

(A) it is owned by a farmer and is part of the overall farm unit;

(B) it is used by a farmer as part of the farmer's operation under written lease for at least three years; or

(C) it has produced an annual gross income from the sale of farm crops or the equivalent value of donated farm crops in one of two, or three of the five, calendar years preceding of at least:

(i) $2,000.00 for parcels of up to 25 acres~~; and~~.

(ii) $75.00 per acre for each acre over 25, with the total income required not to exceed $5,000.00.

(iii) Exceptions to these income requirements may be made in cases of orchard lands planted to fruit-producing trees, bushes, or vines that are not yet of bearing age. As used in this section, the term "farm crops" also includes animal fiber, cider, wine, and cheese, produced on the enrolled land or on a housesite adjoining the enrolled land, from agricultural products grown on the enrolled land.

* * * Vermont Income Tax * * *

Sec. 6. 32 V.S.A. § 5811(21) is amended to read:

(21) "Taxable income" means, in the case of an individual, federal adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:

* * *

(B) decreased by the following items of income (to the extent such income is included in federal adjusted gross income):

* * *

(ii) with respect to adjusted net capital gain income as defined in 26 U.S.C. § 1(h) reduced by the total amount of any qualified dividend

income: either the first $5,000.00 of such adjusted net capital gain income or 40 percent of adjusted net capital gain income from the sale of assets held by the taxpayer for more than three years, except not adjusted net capital gain income from:

(I) the sale of any real estate or portion of real estate used by the taxpayer as a primary or nonprimary residence; or

(II) the sale of depreciable personal property other than farm property and standing timber; or stocks or bonds publicly traded or traded on an exchange, or any other financial instruments; regardless of whether sold by an individual or business; and provided that the total amount of decrease under this subdivision (21)(B)(ii) shall not exceed 40 percent of federal taxable income or $350,000.00, whichever is less;

* * *

(v) the amount of any federal deduction or credit that the taxpayer would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E; ~~and~~

(vi) the amount of interest paid by a qualified resident taxpayer during the taxable year on a qualified education loan for the costs of attendance at an eligible educational institution; ~~and~~

(vii) the amount of any net farm profit, provided the taxpayer's net farm profit during the taxable year did not exceed $10,000.00; and

(viii) notwithstanding subdivision (ii) of this subdivision (21)(B), adjusted net capital gain income from the sale of real estate that is part of a farming operation, provided the buyer continued using the real estate as part of a farming operation and:

(I) is related to the seller by blood, marriage, civil union, or adoption; or

(II) the buyer was an employee of the farming operation for a minimum of 10 years prior to the sale; and

* * *

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2025.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 21, 2025, page 686)

Reported favorably with recommendation of proposal of amendment by Senator Mattos 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 Agriculture, with further recommendation of proposal of amendment as follows:

* * * Heavy Cut Rule * * *

Sec. 6. DEPARTMENT OF FORESTS, PARKS AND RECREATION; HEAVY CUT RULE; VALIDITY

(a) Notwithstanding 1 V.S.A. § 214 to the contrary:

(1) the provisions of 3 V.S.A. § 848(c) (repeal of rules not published in the Vermont Code of Rules as of July 1, 2018) shall be deemed not to have repealed the Department of Forests, Parks and Recreation rule entitled "Intent to Cut Notification Emergency Rules, Standards and Procedures"; and

(2) the provisions of the Department of Forests, Parks and Recreation rule entitled "Intent to Cut Notification Emergency Rules, Standards and Procedures" shall be deemed to have continued in full force and effect and remained valid on and after July 1, 2018.

(b)(1) All actions taken by the Department of Forests, Parks and Recreation from July 1, 2018 through July 1, 2025 to grant or deny an authorization to proceed with a heavy cut pursuant to the provisions of 10 V.S.A. § 2625 and the Department of Forests, Parks and Recreation rule entitled "Intent to Cut Notification Emergency Rules, Standards and Procedures" are valid and enforceable.

(2) As used in this subsection, the term "heavy cut" has the same meaning as in 10 V.S.A. § 2625.

(c) On or before July 1, 2026, the Department of Forests, Parks and Recreation shall publish the rule entitled "Intent to Cut Notification Emergency Rules, Standards and Procedures" in the Vermont Code of Rules.

* * * Effective Dates * * *

Sec. 7. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that Sec. 5 (use value appraisal) shall take effect on January 1, 2026.

(Committee vote: 4-0-3)

ORDERED TO LIE

S. 109.

An act relating to miscellaneous judiciary procedures.

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 #3253: $20,000.00 to the Vermont Department of Public Safety, Vermont State Police. Funds will be used by the Vermont Boating Law Administrator, with the support of the Vermont Department of Health, to create a comprehensive boating injury data tracking system.
[Received May 6, 2025]

JFO #3254: $994,435.00 to the Vermont Department Public Safety, Vermont Emergency Management from the Federal Emergency Management Agency. Funds for emergency work and repair/replacement of disaster damaged facilities during the severe storm and flooding event in Lamoille County from June 22-24, 2024.
[Received May 6, 2025]

JFO #3255: $41,000.00 to the Vermont Agency of Commerce and Community Development, Department of Housing and Community Development. Funds will be used to restore the Baldwin Model K piano, once played by First Lady Grace Coolidge, which now resides in the President Calvin Coolidge State Historic Site in Plymouth, VT.
[Received May 6, 2025]