

Senate Calendar

FRIDAY, MARCH 13, 2026

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ACTION CALENDAR

NEW BUSINESS

Third Reading

S. 179.

An act relating to the Uniform Disclaimer of Property Interests Act.

S. 212.

An act relating to potable water supply and wastewater system connections.

S. 227.

An act relating to creating immigration protocols in Vermont schools.

Second Reading

Favorable with Recommendation of Amendment

S. 211.

An act relating to motor vehicle inspections.

Reported favorably with recommendation of amendment by Senator White for the Committee on Transportation.

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

Sec. 1. TWO-YEAR MOTOR VEHICLE INSPECTIONS;
IMPLEMENTATION PLAN; REPORT

(a) The Secretaries of Transportation and of Natural Resources shall develop a plan to transition to a safety and emissions inspections program that requires pleasure cars to be inspected once every two years beginning in January 2028. The plan shall:

(1) establish a timeline for developing and implementing changes to the existing safety and emissions inspection program to ensure that the program can transition to a biennial inspection requirement for pleasure cars beginning in January 2028;

(2) identify specific actions that are necessary to ensure that Vermont remains in compliance with the requirements of the Clean Air Act, including any necessary changes to the emissions inspection program and the State Implementation Plan;

(3) in addition to any issues or actions identified pursuant to subdivision (2) of this subsection, identify any additional issues related to a change to biennial emissions inspections that could prevent Vermont from remaining in compliance with the requirements of the Clean Air Act and potential options for addressing those issues;

(4) propose a fee structure for inspections and address the potential for different fees charged in relation to the inspection of different vehicle types;

(5) identify any anticipated impacts to State revenues during the transition to biennial inspections for pleasure cars and potential options for mitigating those impacts;

(6) include a proposal for amendments to the mileage-based user fee related to annual reporting of miles traveled by battery electric vehicles during years when they are not required to be inspected;

(7) outline an outreach and education program to inform inspection mechanics, inspection stations, vehicle owners, and other interested parties of the requirements of the new biennial inspection program; and

(8) identify any changes to the Vermont Statutes Annotated and the Code of Vermont Rules that are necessary to implement the plan.

(b) While developing the plan pursuant to subsection (a) of this section, the Secretaries of Transportation and of Natural Resources shall solicit feedback from stakeholders, including inspection station owners, inspection mechanics, motor vehicle owners, motor vehicle dealers, and other interested parties.

(c) On or before October 15, 2026, the Secretaries of Transportation and of Natural Resources shall submit a written report to the House Committees on Environment and on Transportation and the Senate Committees on Natural Resources and Energy and on Transportation regarding the plan developed pursuant to this section and any recommendations for legislative action.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 4-1-0)

Reported favorably by Senator Mattos for the Committee on Finance.

The Committee recommends that the bill ought to pass when amended as recommended by the Committee on Transportation.

(Committee vote: 7-0-0)

S. 298.

An act relating to creating the Vermont Voting Rights Act.

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

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

* * * Vermont Voting Rights Act * * *

Sec. 1. SHORT TITLE

This act may be cited as the “Vermont Voting Rights Act of 2026.”

Sec. 2. 17 V.S.A. chapter 59 is added to read:

CHAPTER 59. VERMONT VOTING RIGHTS ACT

Subchapter 1. Rights of Voters

§ 2801. DEFINITIONS

As used in this chapter:

(1) “Municipality” means a town, city, village, school district, or other political subdivision that holds public elections.

(2) “Protected class” means a group of citizens protected from discrimination based on race or color or membership in a language minority group.

§ 2802. VOTE DENIAL OR DILUTION

(a) No voting qualification or prerequisite to voting or standard, practice, or procedure shall be imposed or applied by the State or any municipality in a manner that results in a denial or abridgement of the right of any citizen of the United States to vote based on race or color or membership in a language minority group.

(b) A violation of subsection (a) of this section is established if, on the basis of the totality of circumstances, it is shown that the political processes leading to nomination or election in the State or a municipality are not equally open to participation by members of a protected class in that its members have less opportunity than other members of the electorate to participate in the political processes or to elect representatives of their choice. The extent to which members of a protected class have been elected to office in the State or municipality is one circumstance that may be considered.

(c) Nothing in this section shall be construed to establish a right to have members of a protected class elected in numbers equal to their proportion in the population.

§ 2803. IMPAIRMENT OF VOTING RIGHTS OF REGISTERED VOTERS

Nothing in this chapter shall be construed to deny, impair, or otherwise adversely affect the right to vote of any registered voter.

§ 2804. CIVIL ACTIONS BY ATTORNEY GENERAL

(a) Whenever the Attorney General has reasonable cause to believe that a violation of this subchapter has occurred and that the rights of any voter or group of voters have been affected by such violation, the Attorney General may initiate a civil action in the Civil Division of the Superior Court in the county in which the alleged violation has occurred for appropriate relief.

(b) In such civil action, the court may:

(1) award such preventive relief, including a permanent or temporary injunction, restraining order, or other order against the person responsible for a violation of this title, as is necessary to ensure the full enjoyment of the rights granted by this title;

(2) assess a civil penalty against the respondent of not more than \$5,000.00 for a first violation and of not more than \$25,000.00 for any subsequent violation; and

(3) issue an order requiring reimbursement to the State of Vermont for the reasonable value of its services and its expenses in investigating and prosecuting the action.

Sec. 3. 17 V.S.A. chapter 35 is amended to read:

CHAPTER 35. OFFENSES AGAINST THE PURITY OF ELECTIONS

Subchapter 1. Penalties Upon Officers

* * *

§ 1934. INTERFERENCE WITH VOTING

(a) An election officer or a person acting under color of the law shall not intentionally:

(1) refuse to permit or fail to permit a qualified voter to vote;

(2) refuse or fail to tabulate, count, or report the vote of a qualified voter;

(3) change a ballot of a voter to prevent the voter from voting as the voter desires.

(b)(1) A person who violates subdivision (a)(1) or (2) of this section shall be subject to a civil penalty of not more than \$1,000.00 for each affected voter.

(2) A person who violates subdivision (a)(3) or (4) of this section shall be imprisoned not more than six months or fined not more than \$1,000.00, or both, for each affected voter.

(c) This section applies to any election and to any method used by a political party for selection of its nominees and for selection of delegates to its conventions and meetings.

* * *

Subchapter 3. Miscellaneous

* * *

§ 2022. INTIMIDATION OF ELECTION OFFICERS

(a) A person shall not intentionally, by bribery, intimidation, threats, coercion, or other means in violation of the election laws, hinder or prevent, or attempt to hinder or prevent, an election officer at any polling place from holding an election.

(b) A person who violates this section shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

§ 2023. INTIMIDATION OF VOTERS; CIVIL CAUSE OF ACTION

(a) A person shall not intentionally intimidate, threaten, or coerce, or intentionally attempt to intimidate, threaten, or coerce:

- (1) any other person in giving the person's vote or ballot; or
- (2) a voter to deter or prevent the voter from voting.

(b) A person who violates this section shall be imprisoned not more than two years or fined not more than \$2,000.00, or both.

(c) In addition to the criminal penalty provided in subsection (b) of this section, such actions shall also create a private cause of action. A voter who is intimidated, threatened, or coerced by another person in violation of subsection (a) of this section shall be entitled to institute an action for injunctive relief, including an application for a permanent or temporary injunction, restraining order, or other order, against such person. The action shall be initiated in the Civil Division of the Superior Court in the county in which the alleged violation has occurred. A court may, in its discretion, allow

a private plaintiff a reasonable attorney's fee as part of the costs, if the plaintiff is the prevailing party.

(d) This section applies to any election and to any method used by a political party for selection of its nominees and for selection of delegates to its conventions and meetings.

§ 2024. COMMUNICATION OF FALSE INFORMATION TO ELIGIBLE VOTERS

(a) A person shall not intentionally communicate to a registered voter false information, knowing the information to be false, for the purpose of impeding the voter in exercising the voter's right to vote. The provisions of this section shall apply to information only about the date, time, or place of the election; how to register to vote; or a voter's registration status.

(b) Any person who violates the provisions of subsection (a) of this section shall be imprisoned not more than six months or fined not more than \$1,000.00, or both. A violation may be prosecuted in the Superior Court in either the county in which the alleged communication was made or in the county in which the communication was received, if different.

(c) In addition to the criminal penalty provided in subsection (b) of this section, a violation of the provisions of this section shall also create a private cause of action. A registered voter to whom such false information is communicated shall be entitled to institute an action for injunctive relief, including an application for a permanent or temporary injunction, restraining order, or other order, against the person communicating such false information. The action shall be initiated in the Superior Court in either the county in which the alleged communication was made or in the county in which the communication was received, if different. The court may, in its discretion, allow a private plaintiff a reasonable attorney's fee as part of the costs, if the plaintiff is the prevailing party.

* * *

* * * Safety Protections for Candidates * * *

Sec. 4. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(7) "Expenditure" means a payment, disbursement, distribution, advance, deposit, loan, or gift of money or anything of value, paid or promised to be paid, for the purpose of influencing an election, advocating a position on a public question, or supporting or opposing one or more candidates.

(A) Expenditures may include those expenses that are necessary to allow a candidate to campaign, such as expenses for the care of a dependent family member that are incurred as a direct result of campaign activity or for the provision of security for the candidate.

* * *

* * * Effective Date * * *

Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

Report of Committee of Conference

H. 50.

An act relating to identifying underutilized State buildings and land.

To the Senate and House of Representatives:

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

H. 50. An act relating to identifying underutilized State buildings and land.

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House proposal of amendment to the Senate proposal of amendment with further amendment thereto in Sec. 1, 29 V.S.A. § 165, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) The Commissioner of Buildings and General Services shall maintain an inventory of all State-owned or State-leased buildings and land and shall ~~biannually~~ annually compile and update the information received under subsection (g) of this section, which shall be considered once available in making spacing allocations and designating uses under subsection (c) of this section.

SEN. WENDY K. HARRISON

SEN. JOHN BENSON

SEN. ROBERT PLUNKETT

Committee on the part of the Senate

REP. JAMES A.R. GREGOIRE

REP. CONOR CASEY

REP. SHAWN SWEENEY

Committee on the part of the House

Joint Resolutions For Action

S.C.R. 8.

Senate concurrent resolution recognizing March 2026 as International Long COVID Awareness Month in Vermont..

Offered by Committee on Health and Welfare,

S.C.R. 8. Senate concurrent resolution recognizing March 2026 as International Long COVID Awareness Month in Vermont.

Whereas, in May 2023, the World Health Organization terminated its COVID-19 emergency, but according to the Yale School of Medicine, over 20 million Americans live with the long-term effects of the COVID-19 virus, a malady known as long COVID, and this situation represents a major public health and economic challenge, and

Whereas, the National Academies of Sciences, Engineering, and Medicine define long COVID as “an infection-associated chronic condition (IACC) that occurs after SARS-CoV-2 infection and is present for at least 3 months as a continuous, relapsing and remitting, or progressive disease state that affects one or more organ systems,” and

Whereas, there are more than 200 long COVID symptoms, including “persistent fatigue, post-exertional malaise, brain fog, and sleep disturbance ... similar to those reported by people with ME/CFS (myalgic encephalomyelitis/chronic fatigue syndrome) and other multi-system chronic complex diseases (msCCD),” and other symptoms can include changes in smell and taste, chest pain, coughing, pins and needles sensations, and a fast-beating or pounding heart, and

Whereas, in 2023, the International Long COVID Awareness (ILCA) organization designated March as International Long COVID Awareness Month and March 15 as International Long COVID Awareness Day to educate the public on the societal implications of long COVID, and

Whereas, in 2026, International Long COVID Awareness Month will “focus on the impacts of SARS-CoV-2 and Long COVID on the heart & cardiovascular system,” and

Whereas, among the topically specific dates associated with International Long COVID Awareness Month are Long COVID: Every Heartbeat Counts (March 7), International Long COVID Awareness Week (March 9–15), Disability Support for People with Long COVID (March 16–22), and Long COVID in Children (March 23–31), and

Whereas, raising the importance of long COVID awareness in Vermont is of the utmost urgency, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly recognizes March 2026 as International Long COVID Awareness Month in Vermont, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Vermont Commissioner of Health.

NOTICE CALENDAR

Committee Bill for Second Reading

Favorable with Recommendation of Amendment

S. 327.

An act relating to economic development.

By the Committee on Economic Development, Housing and General Affairs, Senator Clarkson for the Committee.

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

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

Sec. 1. PURPOSE

This act proposes to strengthen and support Vermont's businesses and promote long-term economic growth by investing in the economic development and vitality of its downtowns and village centers, providing key financial support, technical assistance, and incentives for Vermont businesses of all sizes and at all stages of development. This act also requires the Commissioner of Economic Development to research and create an inventory of the resources available to businesses to assist with growth and development, the Office of Workforce Strategy and Development to study the feasibility of establishing a new culinary institute in the State, and the Vermont Association of Planning and Development Agencies to study the short- and long-term

solutions to better connect the economies of New York and Vermont.

Sec. 2. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

Subchapter 11J. Vermont Downtown and Village Center Tax Credit Program

* * *

§ 5930ee. LIMITATIONS

Beginning in fiscal year 2010 and thereafter, the State Board may award tax credits to all qualified applicants under this subchapter, provided that:

(1) the total amount of tax credits awarded annually, together with sales tax reallocated under section 9819 of this title, does not exceed ~~\$3,000,000.00~~ \$4,000,000.00;

(2) a total annual allocation of ~~no~~ not more than 30 percent of these tax credits in combination with sales tax reallocation may be awarded in connection with all of the projects in a single municipality;

(3) façade tax credits shall not be available for projects that qualify for the federal rehabilitation tax credit;

(4) no credit shall be allowed under this subchapter for the cost of acquiring any building or interest in a building;

(5) credit under any one subsection of 5930cc of this subchapter may not be allocated more often than once every two years with respect to the same building; and

(6) credit awarded under section 5930cc of this subchapter that is rescinded or recaptured by the State Board shall be available for the State Board to award to applicants in any subsequent year, in addition to the total amount of tax credits authorized under this section.

* * *

Sec. 3. EXPANDING SERVICES FOR SMALL BUSINESSES

(a) Expanding legal services. Of monies appropriated to the Department of Economic Development in fiscal year 2027, \$100,000.00 shall be allocated for the purpose of supporting the Vermont Law and Graduate School's public education offerings and free legal support to small businesses through its Vermont Small Business Law Center, which include:

(1) individual and group educational trainings and consultations;

(2) an ongoing webinar series on legal basics for startups; and

(3) an attorney referral program.

(b) Business advising. Of monies appropriated to the Department of Economic Development in fiscal year 2027, \$539,000.00 shall be allocated for a grant to the Vermont Small Business Development Center for the purpose of supporting the continuation of its work in helping Vermonters start, acquire, and grow businesses. The funds shall also be used to increase business advising and educational workshops to meet increasing demands of entrepreneurs and small business owners post pandemic. This increase of \$150,000.00 from the Governor's suggested budget will allow the Center to serve an additional 200 Vermont entrepreneurs and business owners through no-fee, one-to-one advising to help them start businesses, add and retain jobs, increase sales, export products, and prepare their ownership succession plan to transfer ownership for the business to continue to operate in Vermont.

(c) Microbusiness support. Of monies appropriated to the Department for Children and Families in fiscal year 2027, \$594,000.00 shall be allocated to the Office of Economic Opportunity for the purpose of supporting the Vermont Community Action Partnership's microbusiness development program.

(d) The Vermont Professionals of Color Network. Of monies appropriated to the Department of Economic Development in fiscal year 2027, \$200,000.00 shall be allocated for a grant to the Vermont Professionals of Color Network in its support of critical workforce and business development services it provides to BIPOC business communities and to support its business technical assistance services, which includes education on basic business practices, resource navigation, and networking support to BIPOC small business owners.

Sec. 4. VERMONT OUTDOOR RECREATION ECONOMIC COLLABORATIVE

Of monies appropriated to the Department of Forests, Parks and Recreation in fiscal year 2027, \$200,000.00 is allocated to the Vermont Outdoor Recreation Economic Collaborative to conduct a comprehensive outdoor recreation economic impact study that will provide the State with information on how it can better support and benefit from the \$2.1 billion dollar outdoor recreation industry.

Sec. 5. INTERNATIONAL BUSINESS OFFICE; APPROPRIATION

Of monies appropriated to the Department of Economic Development in fiscal year 2027, \$150,000.00 shall be allocated to the International Business Office for the purpose of continuing to support the Office's initiatives and to determine what additional supports are needed, if any, to further develop the economic relationship between Vermont and Taiwan.

Sec. 6. BROWNFIELDS ALLOCATION

Of monies appropriated to the Department of Economic Development in fiscal year 2027, \$3,000,000.00 shall be allocated for brownfields remediation and redevelopment.

Sec. 7. BUSINESS RESOURCES AND GROWTH; INVENTORY; STUDY; REPORT

(a) Business growth and development study. The Commissioner of Economic Development, in consultation with stakeholders, for the purpose of determining how the State can better enable and support the growth of Vermont businesses, shall:

(1) clearly define each stage of business development in order to provide business leaders, investors, and the General Assembly with an understanding of the resources businesses need at each stage of development;

(2) identify the public and private resources available to businesses and determine how the resources are currently communicated to businesses;

(3) create an inventory of resources, pursuant to subdivision (2) of this subsection, that would serve businesses for each stage of development;

(4) determine how best to market and communicate the inventory of resources created pursuant to subdivision (3) of this subsection to Vermonters and the business community;

(5) determine how to improve succession planning for mature businesses;

(6) identify what resources are available to businesses to access capital;

(7) determine the state of capital access opportunities, including the:

(A) investment environment in Vermont and the New England region;

(B) availability of tax credits to leverage private capital; and

(C) requirements to maintain Vermont's Tech Hub designation; and

(8) identify investor education opportunities for high net worth individuals interested in investing in Vermont businesses.

(b) Report. On or before December 15, 2026, the Commissioner shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with the Commissioner's findings pursuant to the business resources and growth study set forth in this section along with any recommendations for legislative action.

Sec. 8. 2025 Acts and Resolves No. 65, Sec. 3 is amended to read:

Sec. 3. TASK FORCE TO EXPLORE DEVELOPMENT OF
CONVENTION CENTER AND PERFORMANCE VENUE

* * *

(b) Membership. The Task Force shall be composed of the following members:

(1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) one current member of the Senate, who shall be appointed by the Committee on Committees;

(3) the Commissioner of the Department of Economic Development or designee;

(4) the President of the Vermont Chamber of Commerce or designee;

(5) the Chief Executive Officer of the Lake Champlain Chamber of Commerce or designee;

(6) the President of the Vermont Regional Development Corporations or designee; ~~and~~

(7) the Chair of the Vermont Association of Planning and Development Agencies or designee; and

(8) the President of the University of Vermont or designee.

* * *

(f) Meetings.

* * *

(5) The Task Force shall meet not more than ~~six~~ 14 times.

(g) Reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than ~~six~~ 14 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force shall be entitled to reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than ~~six~~ 14 meetings. These payments shall be made from monies appropriated to the

Agency of Commerce and Community Development.

* * *

Sec. 9. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022

Acts and Resolves No. 164, Sec. 5, 2023 Acts and Resolves No. 72, Sec. 39, and 2024 Acts and Resolves No. 176, Sec. 1, is further amended to read:

Sec. H.12. ~~VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES~~

~~Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after January 1, 2027. [Repealed.]~~

Sec. 10. CULINARY INSTITUTE; STUDY; REPORT

(a) Purpose. The State of Vermont lost a significant contributor to its culinary workforce pipeline development when the New England Culinary Institute closed during the COVID-19 pandemic. The General Assembly finds that the establishment of a new culinary institute is critical for long-term workforce needs in the food, tourism, and hospitality sectors, sectors that are significant for the economic health of the State.

(b) Task. The Office of Workforce Strategy and Development shall engage with the stakeholders set forth in subsection (c) of this section to determine how best to establish a new culinary institute in Vermont by doing the following:

- (1) research suitable options for the location of a culinary institute;
- (2) determine which college or organization should stand up and administer the culinary institute;
- (3) determine to what extent the General Assembly is needed to help fund and establish the culinary institute;
- (4) begin establishing relationships with restaurants in Vermont that have or will have workforce needs;
- (5) gauge the interest from private investors to determine whether there is interest in private funding for a culinary institute; and
- (6) conduct any additional research or outreach that would promote the establishment of a culinary institute.

(c) Stakeholders. The Office shall consult and convene with stakeholders to assist in its work pursuant to subsection (b) of this section that have relevant

experience in the food and hospitality sectors, including representation from the State Workforce Development Board, Department of Labor, Department of Corrections, State Refugee Office, Vermont Association of Career and Technical Directors, Vermont Chamber of Commerce, Vermont Independent Restaurants, University of Vermont, Vermont State Colleges System, Vermont Sustainable Jobs Fund, and Vermont Employee Ownership Center.

(d) Report. On or before December 1, 2026, the Office shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with its findings and information gathered pursuant to subsection (b) of this section along with any recommendations concerning the establishment of a culinary institute in Vermont. The report shall also list the stakeholders consulted pursuant to subsection (c) of this section.

Sec. 11. CONNECTING VERMONT TO NEW YORK; STUDY; REPORT

(a) Task. The Vermont Association of Planning and Development Agencies, in consultation with the stakeholders set forth in subsection (c) of this section, shall consider the following in a study of the short- and long-term solutions to better connect the persons and economies of Vermont and New York:

(1) in regard to Vermont Route 22A:

(A) the current and projected usage and condition of the road;

(B) the rate and severity of accidents on the road; and

(C) options available to improve the integrity of the road and the flow of traffic and safety on the road;

(2) a potential route for a new limited access highway to connect Burlington to Interstate 87 in New York and estimated costs associated with constructing such a route; and

(3) the feasibility of a rail system better connecting the two states upon review of the latest versions of the Vermont Rail Plan and the Vermont Freight Plan.

(b) Stakeholders. The Vermont Association of Planning and Development Agencies shall consult and convene with stakeholders to assist in its work pursuant to subsection (a) of this section, including representation from the Agency of Transportation, Agency of Natural Resources, Land Use Review Board, Vermont Chamber of Commerce, and Regional Development Corporations.

(c) Report. On or before January 15, 2027, the Vermont Association of

Planning and Development Agencies shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2026, except that this section (effective dates) and Sec. 8 (convention center task force) shall take effect on passage.

(Committee vote: 5-0-0)

Second Reading

Favorable

S. 203.

An act relating to penalties for second or subsequent violations of operating a motor vehicle under the influence of alcohol or drugs.

Reported favorably by Senator Hashim for the Committee on Judiciary.

(Committee vote: 4-0-1)

Favorable with Recommendation of Amendment

S. 89.

An act relating to expanding survivor benefits.

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

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

Sec. 1. 20 V.S.A. § 3171 is amended to read:

§ 3171. DEFINITIONS

As used in this chapter:

* * *

(3) "Emergency personnel" means:

(A) firefighters as defined in subdivision 3151(3) of this title; and

(B) emergency medical personnel and volunteer personnel as defined in 24 V.S.A. § 2651;

(C) law enforcement officers who have been certified by the Vermont Criminal Justice Council pursuant to section 2358 of this title;

(D) facility employees of the Department of Corrections and Department of Corrections employees who provide direct security and treatment services to offenders under supervision in the community;

(E) classified employees of the Family Services Division of the Department for Children and Families; and

(F) classified employees of State-operated therapeutic community residences or inpatient psychiatric hospital units.

(4) “Line of duty” means:

(A) answering or returning from with respect to firefighters, emergency medical personnel, and volunteer personnel:

(i) service in answer to a call of the department or service for a fire or emergency or, including going to and returning from a fire or emergency or participating in a fire or emergency training drill; or

~~(B)(ii)~~ similar service in another town or district to which the department or service has been called for firefighting or emergency purposes;

(B) with respect to law enforcement officers:

(i) service as a law enforcement officer in answer to a complaint lodged with the department or in response to a disorder, including going to, returning from, and investigating or responding to the complaint or disorder; or

(ii) service under orders from the department or in any emergency for which the law enforcement officer serves as a law enforcement officer;

(C) with respect to covered employees of the Department of Corrections, discharging their duties as employees;

(D) with respect to classified family services employees in the Family Services Division of the Department for Children and Families, discharging their duties as employees; and

(E) with respect to classified medical employees of State-operated therapeutic community residences or inpatient psychiatric hospital units, discharging their duties as employees.

* * *

Sec. 2. 20 V.S.A. § 3172 is amended to read:

§ 3172. EMERGENCY PERSONNEL SURVIVORS BENEFIT REVIEW BOARD

* * *

(c) If the Board decides to award a monetary benefit, the benefit shall be paid to the surviving spouse or, if the emergency personnel had no spouse at the time of death, to the surviving child, or equally among surviving children. If the deceased emergency personnel is not survived by a spouse or child, the benefit shall be paid to a surviving parent, or equally between surviving parents. If the deceased emergency personnel is not survived by a spouse, children, or parents, the Board shall not award a monetary benefit under this chapter.

(d) Upon a Board decision to award a monetary benefit under this chapter, the Treasurer shall make payment to the beneficiaries as described in subsection (c) of this section. The Treasurer shall have up to one year from the date of receiving the claim to disburse the funds.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

S. 189.

An act relating to an approval process for reducing or eliminating hospital services.

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

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

Sec. 1. 18 V.S.A. § 9405d is added to read:

§ 9405d. HOSPITAL SERVICE REDUCTIONS; NOTICE REQUIRED

(a) A hospital that proposes to intentionally reduce or eliminate any service shall:

(1) Provide a notice of intent to the Agency of Human Services, the Green Mountain Care Board, the Office of the Health Care Advocate, and the members of the General Assembly who represent the hospital service area not less than 60 days prior to the proposed reduction or elimination. The notice shall explain the rationale for the proposed reduction or elimination and describe how it is consistent with the Statewide Health Care Delivery Strategic Plan, once established, and the hospital's most recent community health needs assessment conducted pursuant to section 9405a of this title and 26 U.S.C. § 501(r)(3).

(2) Post the notice of intent on the hospital's website beginning on or before the day on which the notice is provided pursuant to subdivision (1) of this subsection.

(3) Publish the notice in a newspaper of general circulation in the hospital service area within 10 days after notice is provided pursuant to subdivision (1) of this subsection.

(4) Conduct a public engagement process, including holding one or more public hearings in the county in which the hospital is located and soliciting and responding to public comments, regarding the proposed service reduction or elimination. The public engagement process may begin prior to providing the notice required by subdivision (1) of this subsection and shall continue for not less than 30 days following the notice. The hospital shall provide a summary of the community's response to the proposal, including the public comments received, to the Agency of Human Services following the conclusion of the public engagement process.

(b) The Agency of Human Services shall:

(1) analyze each proposed service reduction or elimination for consistency with the Statewide Health Care Delivery Strategic Plan, once established, and the community health needs assessment;

(2) consider the community's response and the impact of the proposal on access to necessary care and services in the hospital service area; and

(3) provide nonbinding recommendations regarding the proposed reduction or elimination to the hospital, the Green Mountain Care Board, and the public.

(c) If a hospital elects to proceed with reducing or eliminating a service after completing the process set forth in subsection (a) of this section, then within five business days after making the decision to proceed, the hospital shall notify the Agency of Human Services to inform the Agency's health care system transformation efforts and future versions of the Strategic Plan and the Green Mountain Care Board to enable the Board to review the impact on the hospital's budget pursuant to subdivision 9456(e)(2) of this title.

Sec. 2. 18 V.S.A. § 9456 is amended to read:

§ 9456. BUDGET REVIEW

* * *

(e)(1) The Board, in consultation with the Vermont Program for Quality in Health Care, shall utilize mechanisms to measure hospital costs, quality, and

access and alignment with the Statewide Health Care Delivery Strategic Plan, once established.

~~(2)(A) Except as provided in subdivision (D) of this subdivision (e)(2), a hospital that proposes to reduce or eliminate any service in order to comply with a budget established under this section shall provide a notice of intent to the Board, the Agency of Human Services, the Office of the Health Care Advocate, and the members of the General Assembly who represent the hospital service area not less than 45 days prior to the proposed reduction or elimination.~~

~~(B) The notice shall explain the rationale for the proposed reduction or elimination and describe how it is consistent with the Statewide Health Care Delivery Strategic Plan, once established, and the hospital's most recent community health needs assessment conducted pursuant to section 9405a of this title and 26 U.S.C. § 501(r)(3).~~

~~(C) The Board may evaluate the proposed reduction or elimination for consistency with the Statewide Health Care Delivery Strategic Plan, once established and the community health needs assessment, and may modify the hospital's budget or take such additional actions as the Board deems appropriate to preserve access to necessary services.~~

~~(D) A service that has been identified for reduction or elimination in connection with the transformation efforts undertaken by the Board and the Agency of Human Services pursuant to 2022 Acts and Resolves No. 167 does not need to comply with subdivisions (A) - (C) of this subdivision (e)(2).~~

Upon receipt of notification from a hospital pursuant to subsection 9405d(b) of this title that the hospital intends to reduce or eliminate a service following its completion of the process set forth in subsection 9405d(a) of this title, the Board shall review the impact of the reduction or elimination on the hospital's approved budget. The Board may adjust the hospital's budget as necessary to reflect the elimination or reduction, which may include directing that any savings related to the reduction or elimination are returned to Vermonters to address affordability concerns or to payers to be reflected in health insurance premiums or are reinvested in primary care, prevention, and other community-based services.

(3) The Board, in collaboration with the Department of Financial Regulation, shall monitor the implementation of any authorized decrease reduction in or elimination of hospital services to determine its benefits to Vermonters or to Vermont's health care system, or both.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: “An act relating to establishing a process for reducing or eliminating hospital services”

(Committee vote: 5-0-0)

S. 198.

An act relating to the regulation and taxation of tobacco products and tobacco substitutes.

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

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

Sec. 1. 7 V.S.A. chapter 40 is amended to read:

CHAPTER 40. TOBACCO PRODUCTS

§ 1001. DEFINITIONS

As used in this chapter:

* * *

(5) “Tobacco license” means a license issued by the Division of Liquor Control under this chapter permitting the licensee to engage in the importation, distribution, wholesale sale, or retail sale, or a combination of these, of tobacco products, tobacco substitutes, substances containing nicotine or otherwise intended for use with a tobacco substitute, or tobacco paraphernalia.

* * *

(8)(A) “Tobacco substitute” means products, including any product that meets all of the following conditions:

(i) The product is manufactured from, is derived from, or contains tobacco or nicotine, whether natural or synthetic, including nicotine alkaloids and nicotine analogs.

(ii) The product is intended for human consumption by smoking, chewing, inhaling, sucking, absorbing, or consuming in any other manner.

(iii) The product is not a tobacco product, as defined in this section.

(B) The term “tobacco substitute” includes electronic cigarettes or other electronic or battery-powered devices; that contain or are designed to deliver nicotine or other substances into the body through the inhalation of vapor and that have not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes. The term also includes nicotine pouches and any liquids, whether nicotine based or not, and delivery devices sold separately for use with a tobacco substitute.

(C) Cannabis products as defined in section 831 of this title or products that have been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes shall not be considered to be tobacco substitutes.

(9) “Licensed wholesale dealer” means a wholesale dealer licensed under the provisions of this chapter.

(10) “Wholesale dealer” means a person who imports or causes to be imported into the State any cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco product for sale or who sells or furnishes any of these products to other wholesale dealers or retail dealers for the purpose of resale, but not by small quantity or parcel to consumers of these products.

(11) “Wholesale dealer’s license” means the license granted under the provisions of this chapter to a wholesale dealer for a wholesale outlet.

(12) “Wholesale outlet” means any premises where cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco products are sold, transferred, displayed, or held for sale by a wholesale dealer.

(13) “Wholesale price” means the price at which a licensed wholesale dealer sells or furnishes cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco products to any retail dealer.

§ 1002. LICENSE REQUIRED FOR RETAIL SALE; APPLICATION;
FEE; ISSUANCE

(a)(1) Except as provided in subsection (h) of this section, no person shall engage in the retail sale of tobacco products, tobacco substitutes, or tobacco paraphernalia in the person’s place of business without a tobacco license obtained from the Division of Liquor Control.

(2) No person shall engage in the retail sale of tobacco substitutes without also obtaining a tobacco substitute endorsement from the Division of Liquor Control.

(3) Tobacco licenses and tobacco substitute endorsements shall expire at midnight, April 30, of each year.

(b)(1) The Board shall prepare and issue tobacco license and tobacco substitute endorsement forms and applications. ~~These shall be incorporated into the liquor license forms and applications prepared and issued under this title.~~

(2) The licenses issued under this section shall be entitled "LIQUOR LICENSE," ~~"LIQUOR TOBACCO LICENSE,"~~ or "TOBACCO LICENSE," as applicable. The endorsements issued under this section shall be entitled "TOBACCO SUBSTITUTE ENDORSEMENT."

(3) The Board shall also provide simple instructions for licensees, designed to assist them in complying with the provisions of this chapter.

(c) Each tobacco license and tobacco substitute endorsement shall be prominently displayed on the premises identified in the license.

(d)(1) For a license or endorsement required under this section, a person shall apply to the legislative body of the municipality and shall pay the following fees:

(A) to the Division of Liquor Control, the applicable liquor license fee provided in section 204 of this title for a liquor license and a tobacco license;

(B) to the legislative body of the municipality, a fee of ~~\$110.00~~ \$1,000.00 for a tobacco license or renewal; and

(C) to the legislative body of the municipality, a fee of ~~\$50.00~~ \$1,000.00 for a tobacco substitute endorsement as provided in subdivision (a)(2) of this section.

(2) The municipal clerk shall forward the application to the Division, and the Division shall issue the tobacco license and the tobacco substitute endorsement, as applicable, and shall forward all fees to the Commissioner for deposit in the Liquor Control Enterprise Fund.

(e) A person who sells tobacco products, tobacco substitutes, or tobacco paraphernalia without obtaining a tobacco license and a tobacco substitute endorsement, as applicable, in violation of this section shall be ~~guilty of a misdemeanor and fined~~ subject to a civil penalty of not more than ~~\$200.00~~ \$2,000.00 for the first offense and not more than ~~\$500.00~~ \$5,000.00 for each subsequent offense.

(f) No individual under 16 years of age may sell tobacco products, tobacco substitutes, or tobacco paraphernalia.

(g) No person shall engage in the importation, distribution, wholesale sale, or retail sale, or a combination of these, of tobacco products, tobacco substitutes, substances containing nicotine or otherwise intended for use with a tobacco substitute, or tobacco paraphernalia in the State unless the person is a licensed wholesale dealer as ~~defined in 32 V.S.A. § 7702~~ or has purchased the tobacco products, tobacco substitutes, substances containing nicotine or otherwise intended for use with a tobacco substitute, or tobacco paraphernalia from a licensed wholesale dealer.

(h) This section shall not apply to a cannabis establishment licensed pursuant to chapter 33 of this title to engage in the retail sale of cannabis products as defined in section 831 of this title but not engaged in the sale of tobacco products or tobacco substitutes.

* * *

§ 1002b. WHOLESALE DEALERS; LICENSE REQUIRED

(a) License required. Each wholesale dealer shall secure a license from the Division of Liquor Control before engaging in the business of selling tobacco products or tobacco substitutes in this State. Licensed wholesale dealers shall sell these products only to other Vermont licensed wholesale dealers or to retailers licensed pursuant to section 1002 of this chapter.

(b) Application for and issuance of license.

(1) A separate application and license shall be required for each wholesale outlet when a wholesale dealer owns or controls more than one such outlet.

(2) A wholesale license shall be issued by the Division upon application without charge, on forms prescribed by the Division, stating the name and address of the applicant, the address of the place of business at which the applicant proposes to engage in the wholesale business, the type of business, and such other information as the Division may require for the proper administration of this chapter. Each license issued pursuant to this section shall be prominently displayed on the premises covered by the license.

(c) Penalties for sales without license. Any licensed wholesale dealer who sells, offers for sale, or possesses with intent to sell tobacco products or tobacco substitutes without having first obtained a license as provided in this section shall be fined not more than \$2,000.00 for the first offense and not more than \$5,000.00 for each subsequent offense.

(d) Term of license. Each license issued under the provisions of this section shall be valid as long as the licensee continues to do business at the place named unless revoked or suspended by the Division as provided in

subsection (e) of this section. If the business with respect to which the license was issued is sold or transferred or if the licensee ceases to do business at the place named, the license shall immediately be returned to the Division for cancellation.

(e) Revocation or suspension of license. The Division may revoke or suspend the license of any licensed wholesale dealer for failure to comply with any provision of this chapter, 11 V.S.A. chapter 15, 32 V.S.A. chapter 205, or 33 V.S.A. chapter 19, subchapter 1B.

* * *

§ 1005. ~~PERSONS UNDER 21 YEARS OF AGE; POSSESSION OF TOBACCO PRODUCTS; MISREPRESENTING AGE OR PURCHASING TOBACCO PRODUCTS; PENALTY~~

~~(a)(1) A person under 21 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia unless:~~

~~(A) the person is an employee of a holder of a tobacco license and is in possession of tobacco products, tobacco substitutes, or tobacco paraphernalia to effect a sale in the course of employment; or~~

~~(B) the person is in possession of tobacco products or tobacco paraphernalia in connection with Indigenous cultural tobacco practices.~~

~~(2) A person under 21 years of age shall not misrepresent his or her age to purchase or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia.~~

~~(b) A person who possesses tobacco products, tobacco substitutes, or tobacco paraphernalia in violation of subsection (a) of this section shall be subject to having the tobacco products, tobacco substitutes, or tobacco paraphernalia immediately confiscated and shall be further subject to a civil penalty of \$25.00. An action under this subsection shall be brought in the same manner as a traffic violation pursuant to 23 V.S.A. chapter 24.~~

~~(c) A person under 21 years of age who misrepresents the person's age by presenting false identification to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia shall be subject to a civil penalty of not more than \$50.00 or provide up to 10 hours of community service, or both. [Repealed.]~~

* * *

§ 1007. FURNISHING TOBACCO TO PERSONS INDIVIDUALS UNDER 21 YEARS OF AGE; PENALTIES; REPORT

(a) A person that sells or furnishes tobacco products, tobacco substitutes, or tobacco paraphernalia to a person under 21 years of age shall be subject to a civil penalty of not more than ~~\$100.00~~ \$1,000.00 for the first offense and ~~not more than \$500.00,~~ for any subsequent offense, a civil penalty and license suspension or revocation as set forth in subdivision (b)(2) of this section. An action under this section shall be brought in the same manner as for a traffic violation pursuant to 23 V.S.A. chapter 24 and shall be brought within 24 hours of following the occurrence of the alleged violation.

(b)(1) The Division of Liquor Control shall conduct or contract for compliance tests of tobacco licensees as frequently and as comprehensively as necessary to ensure consistent statewide compliance with the prohibition on sales to persons under 21 years of age of at least 90 percent for buyers who are between 17 and 20 years of age. An individual under 21 years of age participating in a compliance test shall not be in violation of section 1005 of this title.

(2) Any violation by a tobacco licensee of subsection 1003(a) of this title ~~and~~ or this section after a sale violation or during a compliance test conducted within six months of ~~after~~ a previous violation shall be considered a multiple violation and shall result in the following civil penalties and minimum license suspension suspensions or license revocation, in addition to any other penalties available under this title. ~~Minimum license suspensions for multiple violations shall be assessed as follows:~~

(A) ~~two violations~~ second violation: suspension for two consecutive weekdays and \$1,000.00 civil penalty;

(B) ~~three violations~~ 15-day third violation: suspension for 15 consecutive days and \$2,000.00 civil penalty;

(C) ~~four violations~~ 90-day fourth violation: suspension for 90 consecutive days and \$3,500.00 civil penalty; and

(D) ~~five violations~~ one-year suspension fifth violation: revocation of license and \$5,000.00 civil penalty.

* * *

§ 1009. CONTRABAND AND SEIZURE

(a) Any cigarettes or other tobacco products or tobacco substitutes that have been sold, offered for sale, or possessed for sale in violation of section 1003, 1010, or 1013 of this title, 20 V.S.A. § 2757, 32 V.S.A. § 7786, or 33

V.S.A. § 1919, and any commercial cigarette rolling machines possessed or utilized in violation of section 1011 of this title, shall be deemed contraband and shall be subject to seizure by the Commissioner, the Commissioner's agents or employees, the Commissioner of Taxes, or any agent or employee of the Commissioner of Taxes, or by any law enforcement officer of this State when directed to do so by the either Commissioner or by the Department of Liquor and Lottery. All cigarettes or other tobacco products items seized under this subsection shall be destroyed at the expense of the violator, and disposition shall be in compliance with the Agency of Natural Resources, Hazardous Waste Management Regulations (CVR 12-032-001).

(b)(1) Any person in possession of property considered contraband under this section shall be fined not more than \$1,000.00 nor less than \$500.00 per item.

(2) Any vehicle, aircraft or watercraft, or other conveyance in which property considered contraband under this section is found may be seized and subject to forfeiture and condemnation pursuant to sections 570 and 572-574 of this title.

§ 1010. INTERNET SALES

* * *

(b) No person shall cause cigarettes, roll-your-own tobacco, little cigars, snuff, tobacco substitutes, substances containing nicotine or otherwise intended for use with a tobacco substitute, or tobacco paraphernalia, ordered or purchased by mail or through a computer network, telephonic network, or other electronic network, to be shipped to anyone other than a licensed wholesale dealer ~~or retail dealer~~ in this State.

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

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

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

(2) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a person has violated this section, the Attorney General may impose a civil penalty in an amount not to exceed \$5,000.00 for each violation. For purposes of this subsection, each shipment or transport of cigarettes, roll-your-own tobacco, little cigars, ~~or snuff~~, tobacco substitutes, substances containing nicotine or otherwise intended for use with a

tobacco substitute, or tobacco paraphernalia shall constitute a separate violation.

* * *

§ 1013. DECEPTIVE TOBACCO PRODUCTS AND TOBACCO
SUBSTITUTES PROHIBITED

No person shall market, promote, label, brand, advertise, distribute, offer for sale, or sell a tobacco product or tobacco substitute by:

(1) imitating a product that is not a tobacco product or tobacco substitute, including:

(A) a food or brand of food commonly marketed to minors, including candy, desserts, cereal, and beverages;

(B) school supplies commonly used by minors, including erasers, highlighters, pens, and pencils;

(C) portable devices, including smartphones, smartwatches, video games or video game consoles, and inhalers; and

(D) a product based on or depicting a character, personality, or symbol known to appeal to minors, including a celebrity; a character in a comic book, movie, television show, or video game; or a mythical creature;

(2) concealing the nature of the tobacco product or tobacco substitute;
or

(3) using terms for, describing, or depicting a product described in subdivision (1) of this section.

§ 1014. USE OF FUNDS FROM LICENSING FEES, PENALTIES, AND
SETTLEMENTS

All penalties collected from violations of this chapter, all monies received by the State from settlements based on violations or alleged violations of Vermont laws relating to tobacco, and all revenue generated from licensing fees established in this chapter that exceed the amounts necessary for administration and enforcement of this chapter shall be deposited in the Tobacco Trust Fund established in 18 V.S.A. § 9502 and used for tobacco cessation and prevention activities.

Sec. 2. 3 V.S.A. § 167a is amended to read:

§ 167a. COMPLEX LITIGATION SPECIAL FUND

* * *

(b) The Fund shall consist of:

(1) Such sums as may be appropriated or transferred by the General Assembly.

(2) Settlement monies other than consumer restitution collected by the Office of the Attorney General, except for those recoveries that by law are transferred or appropriated for other uses pursuant to 7 V.S.A. § 1014 or 9 V.S.A. § 2458(b)(4), and subject to the Fund balance cap in subsection (c) of this section.

* * *

Sec. 3. 18 V.S.A. § 9502 is amended to read:

§ 9502. TOBACCO TRUST FUND

(a)(1) The Tobacco Trust Fund is established in the Office of the State Treasurer for the purposes of creating a self-sustaining, perpetual fund for tobacco cessation and prevention that is not dependent upon tobacco sales volume.

(2) The Trust Fund shall be composed of:

(A) transfers made by the General Assembly; and

(B) penalties and settlement amounts for violations or alleged violations of tobacco laws and tobacco licensing fees pursuant to 7 V.S.A. § 1014; and

(C) contributions from any other source.

* * *

Sec. 4. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

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

* * *

(25) To the Department of Liquor and Lottery, if such return or information is for purposes of investigating potential violations of and enforcing 7 V.S.A. chapter 40.

* * *

Sec. 5. 32 V.S.A. § 7702 is amended to read:

§ 7702. DEFINITIONS

As used in this chapter unless the context otherwise requires:

(1) “Cigarette” means any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains:

(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco; ~~and~~

(B) tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or

(C) any roll of tobacco wrapped in substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subdivision (A) of this subdivision (1).

* * *

(5) “Licensed wholesale dealer” ~~shall mean~~ means a wholesale dealer licensed under the provisions of this chapter 7 V.S.A. § 1002b.

* * *

(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, inhaling, sucking, absorbing, or consuming 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.

(16) “Wholesale dealer” means a person who imports or causes to be imported into the State any cigarettes, little cigars, roll-your-own tobacco, snuff, new smokeless tobacco, or other tobacco product for sale or who sells or furnishes any of these products to other wholesale dealers or retail dealers for the purpose of resale, but not by small quantity or parcel to consumers ~~thereof~~ of these products.

(17) “Wholesale dealer’s license” ~~shall mean~~ means the license granted under the provisions of ~~this chapter~~ 7 V.S.A. § 1002b to a wholesale dealer for a wholesale outlet.

* * *

Sec. 6. 32 V.S.A. § 7776 is amended to read:

§ 7776. COLLECTION OF CIGARETTE TAX THROUGH
NONRESIDENT LICENSED WHOLESALE DEALERS

* * *

(d) Any person complying with the provisions of this section shall thereupon become a licensed wholesale dealer within the meaning of 7 V.S.A. chapter 40 and this chapter and shall be subject to all provisions of ~~the chapter~~ both chapters applicable to wholesale dealers, including the furnishing of a bond specified in ~~subchapter 2~~ section 7703 of this chapter.

Sec. 7. 32 V.S.A. § 7821 is amended to read:

§ 7821. CRIMINAL PENALTIES

Any person who shall fail, neglect, or refuse to comply with or shall violate the provisions of this chapter relating to the tax on tobacco products or the rules adopted by the Commissioner under this chapter relating to such tax shall be guilty of a misdemeanor and upon conviction for a first offense shall be sentenced to pay a fine of not more than \$250.00 or to be imprisoned for not more than 60 days, or both, such fine and imprisonment in the discretion of the court, and for a second or subsequent offense shall be sentenced to pay a fine of not less than \$250.00 nor more than \$500.00 or be imprisoned for not more than six months, or both, such fine and imprisonment in the discretion of the court. This section shall not apply to violations of ~~sections 7731–7734~~ and section 7776 of this title.

Sec. 8. REDESIGNATION

32 V.S.A. § 7737 (licensed wholesale dealers; bonding) is redesignated as 32 V.S.A. § 7703.

Sec. 9. REPEALS

32 V.S.A. §§ 7731–7736 (licensure of wholesale dealers) are repealed.

Sec. 10. INVESTIGATOR POSITION CREATED; APPROPRIATION;
REPORT

(a) One new permanent classified position, Investigator, is established in the Department of Liquor and Lottery to enforce, and to investigate potential

violations of, Vermont laws relating to online sales and other direct-to-consumer sales and delivery of alcohol and tobacco products, including 7 V.S.A. §§ 277, 279, 280, and 1010.

(b)(1) The sum of \$160,000.00 is appropriated to the Department of Liquor and Lottery from the Tobacco Litigation Settlement Fund in fiscal year 2027 to fund the Investigator position established in subsection (a) of this section.

(2) It is the intent of the General Assembly that the position established in subsection (a) of this section should be funded from the Tobacco Litigation Settlement Fund for fiscal years 2027 and 2028. It is also the intent of the General Assembly that, beginning in fiscal year 2029, the funding for the Investigator position should be built into base funding for the Department of Liquor and Lottery's budget, with the amount of the salary and benefits for the Investigator position offset by an equivalent amount of the revenue generated to the Department or to the Office of the Attorney General, or both, by the Investigator's activities in enforcing and in investigating violations of Vermont law, with the remainder of the revenue deposited into the General Fund.

(c) If the revenue generated by the Investigator's activities becomes insufficient to cover the cost of the position in the future, the Department of Liquor and Lottery shall propose eliminating the position as part of its next budget or budget adjustment presentation to the General Assembly.

(d)(1) On or before March 15, 2027, the Department of Liquor and Lottery shall provide an update to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding the status of its implementation of the new Investigator position.

(2) Annually on or before December 15, the Department of Liquor and Lottery shall report to the House Committees on Government Operations and Military Affairs and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare on the impact of the Investigator's activities on compliance with Vermont's laws relating to direct-to-consumer sales and delivery of alcohol and tobacco products.

Sec. 11. TAXATION OF TOBACCO SUBSTITUTES; TAX STAMPS; REPORT

(a) The Department of Taxes, in collaboration with the Department of Liquor and Lottery and the Office of the Attorney General and in consultation with wholesale dealers and other interested stakeholders, shall:

(1) identify efficient and effective processes by which to impose taxes on tobacco substitutes, as defined in 7 V.S.A. § 1001, based on the concentration of nicotine they contain; and

(2) evaluate the continued use of tax stamps as evidence of payment of the excise tax on cigarettes, little cigars, and roll-your-own tobacco in this State and consider the advantages and disadvantages of alternative approaches of certifying tax compliance.

(b) On or before January 15, 2027, the Department of Taxes shall provide its findings and recommendations for taxing tobacco substitutes based on nicotine concentration and regarding the continued use of tax stamps, including proposed next steps and legislative needs, to the House Committees on Human Services and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs; on Finance; and on Health and Welfare.

Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2026, except that:

(1) in Sec. 1 (7 V.S.A. chapter 40), § 1002b (wholesale dealers; license required) shall take effect on July 1, 2027;

(2) in Sec. 5 (32 V.S.A. § 7702), the amendments to subdivisions (5) (definition of “licensed wholesale dealer”) and (17) (definition of “wholesale dealer’s license”) shall take effect on July 1, 2027;

(3) Secs. 6 (32 V.S.A. § 7776), 7 (32 V.S.A. § 7821), 8 (redesignation), and 9 (repeals) shall take effect on July 1, 2027; and

(4) the first report under Sec. 10(d)(2) shall be due on or before December 15, 2027.

and that after passage the title of the bill be amended to read: “An act relating to the regulation of tobacco products and tobacco substitutes”

(Committee vote: 4-1-0)

S. 313.

An act relating to transforming Vermont’s career technical education system.

Reported favorably with recommendation of amendment by Senator Williams for the Committee on Education.

The Committee recommends that the bill be amended in Sec. 2, career technical education system transformation; legislative intent, in subdivision

(1)(D), following “or prevented from accessing CTE” by inserting the words “for lack of capacity”

(Committee vote: 6-0-0)

CONCURRENT RESOLUTIONS FOR ACTION

Concurrent Resolutions For Action Under Joint Rule 16

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

S.C.R. 7 (For text of Resolution, see Addendum to Senate Calendar for March 12, 2026)

H.C.R. 217-226 (For text of Resolutions, see Addendum to House Calendar for March 12, 2026)

CONFIRMATIONS

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

Mike Donohue of Shelburne, VT – Member of the Vermont Economic Progress Council – By Senator Mattos for the Committee on Finance (February 27, 2026)

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 #3273: \$29,303,666.00 to the Public Service Department, Office of Economic Opportunity from the U.S. Department of Energy. The Home Energy Rebate Program funds will be used to weatherize low-income homes. The first-year distribution is \$14,133.00 with subsequent yearly awards through May 31, 2029, for a total of \$29,303,666.00.

[Received March 9, 2026]

FOR INFORMATION ONLY

CROSSOVER DATES

The Joint Rules Committee established the following crossover deadlines:

(1) All **Senate/House** bills must be reported out of the last committee of reference (including the Committees on Appropriations and Finance/Ways and Means, except as provided below in (2) and the exceptions listed below) on or before **Friday, March 13, 2026**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day. Committee bills must be voted out of Committee by **Friday, March 13, 2026**.

(2) All **Senate/House** bills referred pursuant to Senate Rule 31 or House Rule 35(a) to the Committees on Appropriations and Finance/Ways and Means must be reported out by the last of those committees on or before **Friday, March 20, 2026**, and filed with the Secretary/Clerk so they may be placed on the Calendar for Notice the next legislative day.

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

Exceptions to the foregoing deadlines include the major money bills (the General Appropriations Bill (“The Big Bill”), the Transportation Capital Bill, the Capital Construction Bill, and the Fee/Revenue Bills).