

# Senate Calendar

WEDNESDAY, MARCH 18, 2026

SENATE CONVENES AT: 11:00 A.M.

## TABLE OF CONTENTS

Page No.

### ACTION CALENDAR

#### NEW BUSINESS

##### Third Reading

- S. 189** An act relating to an approval process for reducing or eliminating hospital services..... 605
- S. 203** An act relating to penalties for second or subsequent violations of operating a motor vehicle under the influence of alcohol or drugs..... 605
- S. 313** An act relating to transforming Vermont’s career technical education system..... 605

##### Second Reading

#### Favorable with Recommendation of Amendment

- S. 26** An act relating to prohibiting certain artificial dyes in foods and beverages served or sold at school  
Health and Welfare Report - Sen. Gulick ..... 605
- S. 138** An act relating to commercial property-assessed clean energy projects  
Natural Resources and Energy Report - Sen. Hardy ..... 606
- S. 181** An act relating to eliminating the requirement for a presentence investigation for imposition of a deferred sentence  
Judiciary Report - Sen. Hashim ..... 613
- S. 206** An act relating to licensure of early childhood educators by the Office of Professional Regulation  
Health and Welfare Report - Sen. Gulick ..... 615  
Finance Report - Sen. Hardy ..... 623  
Appropriations Report - Sen. Lyons ..... 624
- S. 219** An act relating to an energy navigator program report  
Natural Resources and Energy Report - Sen. Hardy ..... 624  
Appropriations Report - Sen. Watson ..... 626

<b>S. 239</b> An act relating to the Child Abuse and Neglect Reporting Working Group	
Health and Welfare Report - Sen. Gulick .....	627
<b>S. 291</b> An act relating to travel disclosures for legislators and certain executive officers	
Government Operations Report - Sen. Vyhovsky .....	628

**NOTICE CALENDAR**

**Committee Bill for Second Reading**

**Favorable with Recommendation of Amendment**

<b>S. 325</b> An act relating to studying the creation of model bylaws	
By the Committee on Natural Resources and Energy (Senator Watson for the Committee) .....	634
Natural Resources and Energy Report - Sen. Watson .....	634
Finance Report - Sen. Beck .....	649
<b>S. 326</b> An act relating to miscellaneous amendments to laws relating to motor vehicles	
By the Committee on Transportation (Senator Westman for the Committee) .....	649
Transportation Report - Sen. Westman .....	649
Finance Report - Sen. Chittenden .....	674
Appropriations Report - Sen. Westman .....	674
Amendment - Sens. Westman, et al .....	674
<b>S. 327</b> An act relating to economic development	
By the Committee on Economic Development, Housing and General Affairs (Senator Clarkson for the Committee).....	696
Econ. Dev., Housing & General Affairs Report - Sen. Clarkson .....	696
Finance Report - Sen. Brock .....	703

**Second Reading**

**Favorable with Recommendation of Amendment**

<b>S. 89</b> An act relating to expanding survivor benefits	
Government Operations Report - Sen. Vyhovsky .....	703
Appropriations Report - Sen. Perchlik .....	705
<b>S. 232</b> An act relating to public libraries and the Department of Libraries	
Education Report - Sen. Weeks .....	705
Finance Report - Sen. Hardy .....	709

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**ORDERS OF THE DAY**

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**ACTION CALENDAR**

**NEW BUSINESS**

**Third Reading**

**S. 189.**

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

**S. 203.**

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

**S. 313.**

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

**Second Reading**

**Favorable with Recommendation of Amendment**

**S. 26.**

An act relating to prohibiting certain artificial dyes in foods and beverages served or sold at school.

**Reported favorably with recommendation of amendment by Senator Gulick 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. 16 V.S.A. § 1264b is added to read:

§ 1264b. PROHIBITING CERTAIN SUBSTANCES IN FOODS AND BEVERAGES SERVED OR SOLD AT SCHOOL

(a) In operating its school lunch and breakfast program, pursuant to the National School Lunch Act, 42 U.S.C. §§ 1751–1769j, as amended, and the Child Nutrition Act, 42 U.S.C. §§ 1771–1793, as amended, respectively, or selling competitive food, a school district and an approved independent school shall not serve a food or beverage during the school day containing one or more of the following substances:

- (1) Blue 1 (CAS 3844-45-9);

- (2) Blue 2 (CAS 860-22-0);
- (3) Green 3 (CAS 2353-45-9);
- (4) Red 40 (CAS 25956-17-6);
- (5) Yellow 5 (CAS 1934-21-0);
- (6) Yellow 6 (CAS 2783-94-0);
- (7) azodicarbonamide;
- (8) potassium bromate;
- (9) propylparaben; and
- (10) titanium dioxide.

(b) Subsection (a) of this section shall not apply to those foods or beverages sold or served away from a school campus or from at least one half-hour after the school day until 12:00 midnight.

(c) The Agency shall ensure compliance with this section by reviewing school menus and product labels for school meals and competitive foods that are submitted by schools to the Agency as part of existing federal administrative review requirements.

(d) As used in this section:

(1) “Competitive food” has the same meaning as in 7 C.F.R. § 210.11.

(2) “School day,” as pertains to public schools, shall be defined by the school district pursuant to subsection 1071(b) of this title, and as pertains to approved independent schools, means the hours fixed by a school for instruction each day.

## Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2027.

and that after passage the title of the bill be amended to read: “An act relating to prohibiting certain substances in foods and beverages served or sold at school”

(Committee vote: 5-0-0)

## **S. 138.**

An act relating to commercial property-assessed clean energy projects.

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

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

Sec. 1. 24 V.S.A. chapter 87, subchapter 3 is added to read:

Subchapter 3. Commercial Property-Assessed Clean Energy

§ 3275. COMMERCIAL PROPERTY-ASSESSED CLEAN ENERGY DISTRICTS; APPROVAL OF LEGISLATIVE BODY

(a)(1) The legislative body of a town, city, or incorporated village may vote to designate the municipality as a commercial property-assessed clean energy district or C-PACE district. In a district, only those property owners who have entered into written agreements with the municipality under section 3276 of this title would be subject to a special assessment, as set forth in section 3255 of this title.

(2) In this subchapter, “district” means a commercial property-assessed clean energy district which includes the entire municipality.

(b) Upon a vote of approval by a majority of the legislative body of the municipality voting at a duly warned meeting, the municipality shall allow for the imposition of a special assessment to secure private financing for property owners for projects relating to renewable energy, as defined in 30 V.S.A. § 8002(17), or to eligible projects relating to energy efficiency as defined by section 3267 of this title, undertaken by owners of commercial or industrial buildings within the boundaries of the municipality.

(c) As used in this chapter, “commercial or industrial building” means any building other than a residential dwelling with fewer than five units.

§ 3276. WRITTEN AGREEMENTS; CONSENT OF PROPERTY OWNERS; ENERGY SAVINGS ANALYSIS; LENDER CONSENT

(a) Upon an affirmative vote made pursuant to section 3275 of this title and the performance of an analysis pursuant to subsection (b) of this section, an owner of a commercial or industrial building, within the boundaries of a district, may enter into a written agreement with the municipality that shall constitute the owner’s consent to be subject to a special assessment, as set forth in section 3255 of this title. Entry into such an agreement may occur only after January 1, 2027.

(b) Prior to entering into a written agreement, a property owner shall have an analysis performed that includes the following components:

(1) where energy or water usage improvements are proposed, an energy analysis by a licensed professional engineer or engineering firm stating that the proposed qualified improvements will either result in more efficient use or

conservation of energy or water, the reduction of greenhouse gas emissions, or the addition of renewable sources of energy or water;

(2) where renewable energy is proposed, an engineering study showing that the improvements are feasible;

(3) where resilience improvements are proposed, certification by a licensed professional engineer stating that the qualified improvements will result in improved resilience in accordance with local, State, or nationally recognized building standards; or

(4) for new construction, certification by a licensed professional engineer or engineering firm stating that the proposed qualified improvements will enable the project to exceed the energy efficiency or water efficiency or renewable energy or water usage requirements of the current building code.

(c) A written agreement shall provide that:

(1) The length of time allowed for the property owner to repay the assessment shall not exceed the life expectancy of the project. In instances where multiple projects have been installed, the length of time shall not exceed the average lifetime of all projects, weighted by cost.

(2) Notwithstanding any other provision of law:

(A) A lien under this section:

(i) is a first and prior lien on the property, subordinate only to a lien for property taxes, from the date on which the notice of special assessment is recorded until the assessment, interest, or penalty is paid; and

(ii) runs with the land, and that portion of the assessment under the assessment contract that is not yet due shall not be accelerated or extinguished by foreclosure of a property tax lien or any other foreclosure.

(B) In the event of a foreclosure action, all payments on an assessment under this subchapter that are due and unpaid as of the date the action is filed, and all payments on the assessment that become due after that date and that accrue up to and including the date title to the property is transferred to the mortgage holder, the lien holder, or a third party in the foreclosure action shall be paid in order for title to transfer.

(3) A capital provider shall disclose to participating property owners each of the following:

(A) the risks associated with participating in the program, including risks related to the failure of participating property owners to make payments and the risk of foreclosure; and

(B) the provisions of subsection (h) of this section that pertain to prepayment of the assessment.

(d) The notice of an agreement shall include at least each of the following:

(1) the name of the property owner as grantor;

(2) the name of the municipality as grantee;

(3) the date of the agreement;

(4) a legal description of the real property against which the assessment is made pursuant to the agreement;

(5) the amount of the assessment and the period during which the assessment will be made on the property;

(6) a statement that the assessment will remain a lien on the property until paid in full or released; and

(7) the location at which the original agreement may be examined.

(e) Prior to entering into the written assessment contract, the property owner shall obtain and furnish to the municipality a written statement, executed by each holder of a mortgage or deed of trust on the property securing indebtedness, in their sole and absolute discretion, that consents to the assessment and indicates that the assessment does not constitute an event of default under the mortgage or deed of trust.

(f) The combined amount of the assessment plus any outstanding mortgage obligations for the property shall not exceed 90 percent of the assessed value of that property.

(g) With respect to an agreement under this section:

(1) the assessments to be repaid under the agreement, when calculated as if they were the repayment of a loan, shall not violate 9 V.S.A. §§ 41a, 43, 44, and 46–50; and

(2) the maximum length of time for the owner to repay the assessment shall not exceed 30 years.

(h) For projects under subchapter 2 of this chapter, there shall be no penalty or premium for prepayment of the outstanding balance of an assessment under this subchapter if the balance is prepaid in full. Projects under this subchapter 3 are not subject to these provisions, but shall be determined by the private agreement for financing of improvements.

(i) Property may be eligible for financing if otherwise qualified improvements were completed and operational not more than 36 months prior

to submission of the application to the program. Waivers to the 36-month requirement may be granted in the sole discretion of the program administrator.

#### § 3277. PROGRAM ADMINISTRATORS

##### (a) C-PACE Program Administration.

(1) An entity that administers the commercial property-assessed clean energy program or C-PACE Program under this subchapter shall be referred to as a program administrator. A municipality, a public agency, or a private entity may serve as a program administrator. However, a capital provider or lender shall not serve as a program administrator in a municipality where it is also lending.

(2) A municipality that has adopted a C-PACE district may:

(A) enter into a contract with an entity to serve as the program administrator and to administer the functions of the C-PACE Program for the municipality; or

(B) serve as the program administrator itself, to administer the functions of a C-PACE Program, including entering into C-PACE agreements with commercial property owners in its jurisdiction and collecting C-PACE assessments.

##### (b) An entity may:

(1) enter into a contract with a C-PACE municipality where the entity shall serve as the program administrator in the municipality; and

(2) collect fees necessary to administer the C-PACE program.

(c) Other than the fulfillment of its obligations specified in a C-PACE agreement, neither the program administrator nor a municipality has any liability to a commercial property owner for or related to energy savings or resilience improvements financed under a C-PACE Program.

(d) The Department of Financial Regulation shall consult with relevant stakeholders, including the Vermont League of Cities and Towns, the Vermont Economic Development Authority, Efficiency Vermont, and agencies from other States with C-PACE programs, in order to identify appropriate entities to serve as program administrators.

Sec. 2. 24 V.S.A. § 3263 is amended to read:

#### § 3263. COSTS OF OPERATION OF DISTRICT

The owners of real property who have entered into written agreements with the municipality under section 3262 of this title shall be obligated to cover the costs of operating the district. A municipality may use other available funds to operate the district. A municipality may charge fees to cover the operation of the C-PACE Program under subchapter 3 of this chapter.

Sec. 3. 24 V.S.A. § 3264 is amended to read:

§ 3264. RIGHTS OF PROPERTY OWNERS

A property owner who has entered into a written agreement with the municipality under section 3262 or section 3276 of this title may enter into a private agreement for the installation or construction of a project relating to renewable energy, as defined in 30 V.S.A. § 8002(17), or relating to energy efficiency as defined in section 3267 of this title.

Sec. 4. 24 V.S.A. § 3265 is amended to read:

§ 3265. LIABILITY OF MUNICIPALITY

(a) A municipality that incurs indebtedness for or otherwise finances projects under this subchapter shall not be liable for the failure of performance of a project.

(b) A municipality that incurs indebtedness for bonding under this subchapter shall pledge the full faith and credit of the municipality.

(c) A municipality that enters into a written agreement with a property owner under subchapter 3 of this chapter shall not incur any indebtedness or otherwise finance projects under this chapter, nor shall be liable for the failure of the performance of a project, nor pledge the full faith and credit of the municipality.

Sec. 5. 24 V.S.A. § 3268 is amended to read:

§ 3268. RELEASE OF LIEN

(a) A municipality shall release a participating property owner of the lien on the property against which the assessment under this subchapter or subchapter 3 of this chapter is made upon full payment of the value of the assessment.

(b) Notice of a release of a lien for an assessment under this subchapter or subchapter 3 of this chapter shall be filed with the clerk of the applicable municipality for recording in the land records of that municipality.

Sec. 6. 24 V.S.A. § 3255 is amended to read:

§ 3255. COLLECTION OF ASSESSMENTS; LIENS

(a) Special assessments under this chapter shall constitute a lien on the property against which the assessment is made in the same manner and to the same extent as taxes assessed on the grand list of a municipality, and all procedures and remedies for the collection of taxes shall apply to special assessments.

(b) Notwithstanding subsection (a) of this section, a lien for an assessment under subchapter 2 of this chapter shall be subordinate to all liens on the property in existence at the time the lien for the assessment is filed on the land records, shall be subordinate to a first mortgage on the property recorded after such filing, and shall be superior to any other lien on the property recorded after such filing. In no way shall this subsection affect the status or priority of any municipal lien other than a lien for an assessment under subchapter 2 of this chapter. A lien for an assessment under subchapter 3 of this chapter shall be exempt from the provisions of this section and, upon receipt of consent from lenders, pursuant to subsection 3276(e) of this title, shall not be subordinate to all liens on the property in existence at the time the lien for the assessment is filed on the land records.

Sec. 7. 9 V.S.A. § 46 is amended to read:

#### § 46. EXCEPTIONS

Section 43 of this title, relating to deposit requirements, and section 45 of this title, relating to prepayment penalties, shall not apply and the parties may contract for a rate of interest in excess of the rate provided in section 41a of this title in the case of:

(1) obligations of corporations, including municipal and nonprofit corporations; ~~or~~

(2) obligations incurred by any person, partnership, association, or other entity to finance in whole or in part income-producing business or activity, but not including obligations incurred to finance family dwellings of four units or fewer when used as a residence by the borrower or to finance real estate that is devoted to agricultural purposes as part of an operating farming unit when used as a residence by the borrower; ~~or~~

(3) obligations to finance the purchase, construction, or improvement of property for seasonal or part-time occupancy and not as a place of legal residence; ~~or~~

(4) obligations guaranteed or insured by the United States of America or any agency thereof; or

(5) obligations incurred for commercial property-assessed clean energy projects pursuant to 24 V.S.A. chapter 87, subchapter 3.

Sec. 8. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

**S. 181.**

An act relating to eliminating the requirement for a presentence investigation for imposition of a deferred sentence.

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

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. 13 V.S.A. § 7041 is amended to read:

§ 7041. DEFERRED SENTENCE

(a)(1) Upon an adjudication of guilt ~~and after the filing of a presentence investigation report~~, the court may defer sentencing and place the respondent on probation upon such terms and conditions as it may require if a written agreement concerning the deferring of sentence is entered into between the State's Attorney and the respondent and filed with the clerk of the court.

(2) If the offense is a listed crime as provided in subdivision 5301(7) of this title, a presentence investigation shall be conducted unless the State's Attorney and the respondent agree to waive the presentence investigation.

(b) Notwithstanding subsection (a) of this section, the court may defer sentencing and place the respondent on probation without a written agreement between the State's Attorney and the respondent if the following conditions are met:

(1) [Repealed.]

(2) the crime for which the respondent is being sentenced is not a listed crime as defined in subdivision 5301(7) of this title;

(3) ~~the court orders a presentence investigation in accordance with the procedures set forth in V.R.C.P. Rule 32, unless the State's Attorney agrees to waive the presentence investigation;~~ [Repealed.]

(4) the court permits the victim to submit a written or oral statement concerning the consideration of deferment of sentence;

(5) the court reviews ~~the presentence investigation and~~ the victim's impact statement with the parties; and

(6) the court determines that deferring sentence is in the interests of justice.

(c) Notwithstanding subsections (a) and (b) of this section, the court may not defer a sentence for a violation of section 3253a (aggravated sexual assault of a child), section 2602 (lewd and lascivious conduct with a child unless the victim and the defendant were within five years of age and the act was consensual), subsection 3252(c) (sexual assault of a child under 16 years of age unless the victim and the defendant were within five years of age and the act was consensual), subsection 3252(d) or (e) (sexual assault of a child), subdivision 3253(a)(8) (aggravated sexual assault), or section 3253a (aggravated sexual assault of a child) of this title.

(d) Entry of deferment of sentence shall constitute an appealable judgment for purposes of appeal in accordance with 12 V.S.A. § 2383 and V.R.A.P. Rule 3. Except as otherwise provided, entry of deferment of sentence shall constitute imposition of sentence solely for the purpose of sentence review in accordance with section 7042 of this title. The court may impose sentence at any time if the respondent violates the conditions of the deferred sentence during the period of deferment.

(e) Upon violation of the terms of probation or of the deferred sentence agreement, the court shall impose sentence. Upon fulfillment of the terms of probation and of the deferred sentence agreement, the court shall strike the adjudication of guilt and discharge the respondent. Except as provided in subsection (h) of this section, the record of the criminal proceedings shall be expunged upon the discharge of the respondent from probation, absent a finding of good cause by the court. The court shall issue an order to expunge all records and files related to the arrest, citation, investigation, charge, adjudication of guilt, criminal proceedings, and probation related to the deferred sentence. Copies of the order shall be sent to each agency, department, or official named therein. Thereafter, the court, law enforcement officers, agencies, and departments shall reply to any request for information that no record exists with respect to such person upon inquiry in the matter. Notwithstanding this subsection, the record shall not be expunged until restitution has been paid in full.

(f) A deferred sentence imposed under subsection (a) or (b) of this section may include a restitution order issued pursuant to section 7043 of this title. Nonpayment of restitution shall not constitute grounds for imposition of the underlying sentence.

(g) [Repealed.]

(h) The Vermont Crime Information Center shall retain a special index of deferred sentences for sex offenses that require registration pursuant to ~~subchapter 3~~ of chapter 167, subchapter 3 of this title. This index shall only list the name and date of birth of the subject of the expunged files and records, the offense for which the subject was convicted, and the docket number of the proceeding that was the subject of the expungement. The special index shall be confidential and may be accessed only by the director of the Vermont Crime Information Center and a designated clerical ~~staff person~~ staff person for the purpose of providing information to the Department of Corrections in the preparation of a presentence investigation in accordance with 28 V.S.A. §§ 204 and 204a.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

**S. 206.**

An act relating to licensure of early childhood educators by the Office of Professional Regulation.

**Reported favorably with recommendation of amendment by Senator Gulick 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. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be qualified by education and professional experience to perform the duties of the position. The Director of the Office of Professional Regulation shall be a classified position with the Office of the Secretary of State. The following boards or professions are attached to the Office of Professional Regulation:

(1) Board of Architects

\* \* \*

(55) Early Childhood Educators

Sec. 2. 26 V.S.A. chapter 111 is added to read:

CHAPTER 111. EARLY CHILDHOOD EDUCATORS IN PROGRAMS  
REGULATED BY THE CHILD DEVELOPMENT DIVISION

§ 6211. CREATION OF BOARD

(a) The Vermont Board of Early Childhood Educators is created.

(b) The Board shall consist of nine members appointed for five-year terms by the Governor pursuant to 3 V.S.A. §§ 129b and 2004 as follows: two public members; two each of individuals licensed as an Early Childhood Educator I, an Early Childhood Educator II, and an Early Childhood Educator III; and one Family Child Care Provider. All members shall be Vermont residents. The members who are early childhood educators shall have been in active practice in Vermont for not less than the preceding three years and shall be in active practice during their incumbency. The public members shall be individuals who have no financial interest personally or through a spouse, parent, child, or sibling in the activities regulated under this chapter, other than as a consumer or a possible consumer of its services. Appointments shall be made without regard to political affiliation and on the basis of integrity and demonstrated ability.

(c) Vacancies shall be filled in the same manner as initial appointments.

(d) Board members shall not serve more than two consecutive terms.

§ 6212. BOARD PROCEDURES

(a) Annually, the Board shall meet to elect a chair, vice chair, and a secretary.

(b) Meetings shall be warned and conducted in accordance with 1 V.S.A. chapter 5.

(c) A majority of the members of the Board shall constitute a quorum.

(d) All business shall be transacted by a majority vote of the members present and voting, unless otherwise provided by statute.

§ 6213. POWERS AND DUTIES OF THE BOARD

(a) The Board shall:

(1) adopt rules, pursuant to 3 V.S.A. chapter 25, that are necessary for the performance of its duties in accordance with this chapter, including activities that must be completed by an applicant in order to fulfill the educational and experiential requirements established by this chapter;

(2) provide general information to applicants for licensure as early childhood educators;

(3) explain appeal procedures to licensees and applicants and complaint procedures to the public; and

(4) use the administrative and legal services provided by the Office of Professional Regulation under 3 V.S.A. chapter 5.

(b) The Board may conduct hearings and exercise its authority as provided in 3 V.S.A. chapter 5.

Sec. 3. 26 V.S.A. chapter 111 is amended to read:

CHAPTER 111. EARLY CHILDHOOD EDUCATORS IN PROGRAMS  
REGULATED BY THE CHILD DEVELOPMENT DIVISION

Subchapter 1. General Provisions

§ 6201. DEFINITIONS

As used in this chapter:

(1) “Board” means the Vermont Board of Early Childhood Educators.

(2) “Early childhood educator” means an individual providing care and educational instruction to children from birth through eight years of age in a program regulated by the Child Development Division, including:

(A) planning and implementing intentional, developmentally appropriate learning experiences that promote the physical health and social, emotional, linguistic, and cognitive growth of children;

(B) establishing and maintaining a safe, caring, inclusive, and healthy learning environment;

(C) observing, documenting, and assessing children’s learning and development;

(D) developing reciprocal, culturally responsive relationships with families and communities; and

(E) engaging in reflective practice and continuous learning.

(3) “Early Childhood Educator I” means an individual who practices early childhood education as an assistant educator in a program under the supervision of Early Childhood Educators II or III or a teacher who is exempt from this chapter and licensed by the Agency of Education under 16 V.S.A. chapter 51 with endorsements in early childhood education, early childhood special education, or elementary education.

(4) “Early Childhood Educator II” means an individual who practices early childhood education as the lead or primary educator in a program, supervises the practice of individuals licensed as an Early Childhood Educator I, and receives guidance from individuals licensed as an Early Childhood Educator III.

(5) “Early Childhood Educator III” means an individual who practices early childhood education as the lead or primary educator in a program, supervises the practice of individuals licensed as an Early Childhood Educator I, and provides guidance to individuals licensed as an Early Childhood Educator II.

(6) “Family child care provider” means an individual who provides developmentally appropriate care, education, protection, and supervision of children from birth through eight years of age and is authorized by the Child Development Division to operate a family child care home as defined in 33 V.S.A. § 3511.

(7) “Guidance” means direct or indirect consultative support in which an Early Childhood Educator III provides feedback to an Early Childhood Educator II.

(8) “Program” or “program regulated by the Child Development Division” means a program or facility approved by the Department for Children and Families’ Child Development Division as a licensed or registered family child care home or a licensed center-based child care and preschool program and is not operated by a public school.

(9) “Supervision” means on-site, direct oversight in which an Early Childhood Educator II or III observes the practice of an Early Childhood Educator I and provides feedback, support, and direction to an Early Childhood Educator I.

#### § 6202. PROHIBITIONS

(a) An individual shall not hold themselves out as an early childhood educator in this State unless the individual is licensed under this chapter or exempt from this chapter pursuant to section 6203 of this chapter.

(b) An individual shall not use in connection with the individual’s name any letters, words, or insignia indicating that the individual is an early childhood educator unless the individual is licensed under this chapter or exempt from this chapter pursuant to section 6203 of this chapter.

#### § 6203. EXEMPTIONS

(a) The provisions of this chapter shall not apply to the following persons acting within the scope of their respective professional practices:

(1) a teacher actively licensed under 16 V.S.A. chapter 51 by the Agency of Education with endorsements in early childhood education, an early childhood special education, or an elementary education;

(2) an individual who provides care in an afterschool child care program that is regulated by the Child Development Division or any other child care program that is exempt from regulation by the Child Development Division; and

(3) an individual who works exclusively in a public school.

(b) This chapter shall not be construed to alter or amend the requirements of publicly funded prekindergarten education programs operated in accordance with 16 V.S.A. § 829.

(c) This chapter shall not be construed to limit or restrict in any manner the right of a practitioner of another profession or occupation from carrying on in the usual manner any of the functions incidental to that profession or occupation.

#### Subchapter 2. Board of Early Childhood Educators

##### § 6211. CREATION OF BOARD

\* \* \*

#### Subchapter 3. Licensure Requirements

##### § 6221. ELIGIBILITY AND QUALIFICATIONS

(a) To be eligible for licensure under this chapter, an applicant shall have attained the age of majority; achieved a high school diploma, a General Education Development (GED) certificate, or an approved equivalent credential; and completed field experience in early childhood education as required by rule.

(b) An applicant shall meet the following educational requirements for each of the following license types:

(1) Early Childhood Educator I shall have received a certificate from an approved credential program in early childhood education requiring a minimum of 120 hours of training and instruction.

(2) Early Childhood Educator II shall have received an associate's degree program in:

(A) early childhood education or a related field requiring a minimum of 60 college credits; or

(B) any unrelated field and a minimum of 21 approved college credits in the core early childhood education competency areas identified in rule.

(3) Early Childhood Educator III shall have received a bachelor's degree from an approved program in:

(A) early childhood education or a related field requiring a minimum of 120 college credits; or

(B) any unrelated field and a minimum of 21 approved college credits in the core early childhood education competency areas identified in rule.

(4) A Family Child Care Provider shall be qualified for licensure if authorized by the Child Development Division to operate a family child care home and is in good standing with the Division as of January 1, 2029. The Board shall not accept Family Child Care Provider applications after January 1, 2029.

(c) Approved educational programs may offer college credit based upon an assessment of the individual's competencies acquired through experience working in the profession.

(d) In addition to the requirements of subsections (a) and (b) of this section, applicants shall pass any examination that may be required by rule.

#### § 6222. LICENSE RENEWAL

(a) Licenses shall be renewed every two years upon application and payment of the required fee. Failure to comply with the provisions of this section shall result in suspension of all privileges granted by the license beginning on the expiration date of the license. A license that has lapsed shall be reinstated upon payment of the biennial renewal fee and the late renewal penalty pursuant to 3 V.S.A. § 127, except a Family Child Care Provider license shall not be renewed after a lapse of two or more years.

(b) The Board may adopt rules pursuant to 3 V.S.A. chapter 25 necessary for the protection of the public to assure the Board that an applicant whose license has lapsed for more than five years is professionally qualified before reinstatement may occur. Conditions imposed under this subsection shall be in addition to the requirements of subsection (a) of this section.

(c) In addition to the provisions of subsection (a) of this section, an applicant for renewal shall have satisfactorily completed continuing education as required by the Board. For purposes of this subsection, the Board may require, by rule, not more than 24 hours of approved continuing education as a condition of renewal.

#### § 6223. FEES

Applicants and persons regulated under this chapter shall pay the following fees:

- (1) Early Childhood Educator I:
  - (A) Application for initial license, \$125.00.
  - (B) Biennial renewal, \$225.00.
- (2) Early Childhood Educator II:
  - (A) Application for initial license, \$175.00.
  - (B) Biennial renewal, \$250.00.
- (3) Early Childhood Educator III:
  - (A) Application for initial license, \$225.00.
  - (B) Biennial renewal, \$275.00.
- (4) Family Child Care Provider:
  - (A) Application for initial license, \$175.00.
  - (B) Biennial renewal, \$250.00.

#### § 6224. UNPROFESSIONAL CONDUCT

As used in this chapter, “unprofessional conduct” means:

(1) conduct prohibited by this section, by 3 V.S.A. § 129a, or by other statutes relating to early childhood education, whether that conduct is by a licensee, an applicant, or an individual who later becomes an applicant;

(2) conduct that results in a licensee, applicant, or an individual who later becomes an applicant being placed on the Child Protection Registry pursuant to 33 V.S.A. chapter 49; or

(3) conduct that is not in accordance with the professional standards and competencies for Early Childhood Educators published by the National Association for the Education of Young Children.

#### § 6225. VARIANCES

(a)(1) The Board shall issue a transitional Early Childhood Educator II or III license to a teacher or director of a program who does not meet the educational and experiential licensure in this chapter. Transitional licenses shall be valid for a two-year period and shall be renewed by the Board for an otherwise qualified applicant for an additional two-year period with satisfactory supporting documentation of the individual’s ongoing work to

obtain the required educational and experiential qualifications for licensure under this chapter.

(2) At the conclusion of three two-year transitional licensure periods, the Board, at its discretion, may issue one final two-year transitional license for an otherwise qualified applicant if the licensee can demonstrate extenuating circumstances for not having attained the educational and experiential requirements in this chapter and ongoing work to attain these requirements.

(b) In addition to the transitional licensure available pursuant to subsection (a) of this section, the Board shall also issue an Early Childhood Educator II license for individuals who have completed the eligibility requirements set forth in subsections 6221(a) and (d) of this chapter and completed one of the following:

(1) 21 college credits in the core early childhood education competency areas identified by the Board in rule; or

(2) prior experiential learning that is assessed by an appropriately accredited institution of higher learning to be the equivalent of 21 college credits in the core early childhood education competency areas identified by the Board in rule.

#### § 6226. DISCLOSURE BY LICENSEES

An early childhood educator licensed pursuant to this chapter shall post and provide to current and prospective families the following information:

(1) all available license types regulated by the Office of Professional Regulation pursuant to this chapter;

(2) a description of the Office of Professional Regulation’s regulatory authority over licensees in programs regulated by the Child Development Division and how to make complaints;

(3) a description of the Agency of Education’s regulatory authority over teachers providing prekindergarten services pursuant to 16 V.S.A. § 829 and how to make complaints; and

(4) a description of the Child Development Division’s regulatory authority over regulated child care programs and how to make complaints.

#### Sec. 4. REPEAL; VARIANCES

26 V.S.A. § 6225 (variances) is repealed on July 1, 2036.

#### Sec. 5. REPORT; EARLY CHILDHOOD EDUCATOR LICENSURE

On or before November 1, 2031, the Office of Professional Regulation shall submit a written report to the House Committees on Government Operations and Military Affairs and on Human Services and to the Senate Committees on Government Operations and on Health and Welfare regarding the implementation of 26 V.S.A. chapter 111, including:

- (1) the number of licensees by license type;
- (2) the State resources necessary to implement the chapter;
- (3) the number and nature of any complaints or enforcement actions against a licensee;
- (4) the qualifications required for each license type; and
- (5) any other issues the Office deems appropriate.

Sec. 6. OFFICE OF PROFESSIONAL REGULATION; LICENSURE OF EARLY CHILDHOOD EDUCATORS IN PROGRAMS REGULATED BY THE CHILD DEVELOPMENT DIVISION; APPROPRIATION; POSITIONS

(a) The establishment of the following new permanent positions is authorized in the Office of Professional Regulation in fiscal year 2027:

- (1) one full-time, classified executive officer for the Vermont Board of Early Childhood Educators; and
- (2) one full-time, exempt staff attorney.

(b) In fiscal year 2027, the amount of \$262,000.00 is appropriated from the General Fund to the Office of Professional Regulation to be used for the licensure of early childhood educators in accordance with this act.

Sec. 7. EFFECTIVE DATES

(a) This section, Sec. 1 (Office of Professional Regulation), Sec. 2 (Vermont Board of Early Childhood Educators), Sec. 5 (report; early childhood educator licensure), and Sec. 6 (Office of Professional Regulation; licensure of early childhood educators; appropriation; positions) shall take effect on July 1, 2026.

(b) Sec. 3 (early childhood educators) and Sec. 4 (repeal; variances) shall take effect on July 1, 2028.

(Committee vote: 5-0-0)

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

(Committee Vote: 4-3-0)

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

The Committee recommends that the bill be amended as recommended by the Committee on Health and Welfare, with further amendment thereto by adding a new section to be Sec. 6a, to read as follows:

Sec. 6a. CONTIGENCY OF FUNDING

The duty to implement Sec. 6 of this act, Office of Professional Regulation; licensure of early childhood educators in program regulated by the Child Development Division; appropriation; positions, is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Office of Professional Regulation for the specific purposes described in Sec. 6 of this act.

(Committee vote: 7-0-0)

**S. 219.**

An act relating to an energy navigator program report.

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

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

Sec. 1. ENERGY NAVIGATOR PROGRAM; REPORT

(a) The Department of Public Service shall contract with a third-party consultant to design a Vermont community-based home energy navigator and coaching program, in collaboration with the Climate Action Center of Addison County and other existing community-based energy navigator programs in Vermont, that will provide in-person and remote energy coaching services to residential consumers in communities statewide. The Department's consultant shall build on findings from the Department's comprehensive process and performance evaluation of more than 100 publicly funded energy programs focused on affordability, including electric and thermal efficiency, weatherization for customers with low income, and beneficial electrification initiatives to inform the design of a Vermont community-based home energy navigator and coaching program. The Department's consultant shall consult with Efficiency Vermont, the Vermont State Energy Office, the Vermont Climate Action Office, Vermont's community action agencies, the Vermont Energy and Climate Action Network, Vermont's electric utilities, community-based home energy navigator and coaching programs, and other states, including Connecticut and Massachusetts, that have experience with

community-based energy programs. For the purposes of this section, “residential consumers” includes homeowners, landlords, and renters.

(b) The program shall:

(1) provide guidance to residential consumers, particularly those with low and moderate incomes, to better understand and navigate energy efficiency and clean energy investment options to affordably meet their home energy needs;

(2) advise residential consumers on accessing available grants, rebates, financing, and other assistance programs and incentives to meet their home energy needs;

(3) assist residential consumers in prioritizing identified energy-saving opportunities, including through the integration of weatherization strategies to reduce heating and cooling loads that could minimize the need for the installation of new equipment and lower future electric demands on the grid;

(4) help residential consumers connect to local contractors and review and analyze contractor recommendations regarding cost, payment, and other relevant factors;

(5) advise residential consumers in person, as necessary, and over time, recognizing that hands-on coaching help may be needed at a consumer’s home and over several years;

(6) provide ongoing State funding to support the operations of community-based energy coaching programs; and

(7) use available grant funds and private partnerships to support program implementation.

(c) On or before March 1, 2027, the Department shall submit a report on the program design to the House Committee on Energy and Digital Infrastructure and the Senate Committee on Natural Resources and Energy. The report shall include a description of the design of the program, which could include the creation of a pilot program or expansion and support of existing community-based programs, a description of the technical assistance and educational materials to be developed as part of the program, an estimate of program costs, funding sources to provide ongoing support to community-based energy coaching programs, a target number of residential consumers to be served by the program, energy and emissions savings that will result from the program, and a proposed timeline for the implementation of the program.

Sec. 2. APPROPRIATIONS

(a) In fiscal year 2027, the sum of \$25,000.00 is appropriated from the General Fund to the Department of Public Service to hire the third-party consultant for the energy navigator report.

(b) In fiscal year 2027, the sum of \$10,000.00 is appropriated from the General Fund to the Climate Economy Action Center to collaborate with the Department of Public Service on the energy navigator program design.

### Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

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

The Committee recommends that the bill be amended as recommended by the Committee on Natural Resources and Energy, with the following amendments as follows:

First: In Sec. 1, energy navigator program; report, by striking out subdivision (b)(6) in its entirety and inserting in lieu thereof a new subdivision (b)(6) to read as follows:

(6) provide recommendations for how the program would provide ongoing funding to support the operations of community-based energy coaching programs; and

Second: In Sec. 1, energy navigator program; report, by striking out subdivision (b)(7) in its entirety and inserting in lieu thereof a new subdivision (b)(7) to read as follows:

(7) recommend any grant funds and private partnerships that may be available to support program implementation.

Third: By striking out Sec. 2, appropriations, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

### Sec. 2. CONTINGENCY OF FUNDING

The duty to hire a consultant as described in Sec. 1 of this act (energy navigator program; report) is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Department of Public Service for that. The duty of the Department of Public Service to grant funding to the Climate Economy Action Center is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Department of Public Service for that.

(Committee vote: 7-0-0)

**S. 239.**

An act relating to the Child Abuse and Neglect Reporting Working Group.

**Reported favorably with recommendation of amendment by Senator Gulick 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. CHILD ABUSE AND NEGLECT REPORTING WORKING GROUP

(a) There is created the Child Abuse and Neglect Reporting Working Group for the purpose of examining the existing statutes and the Department for Children and Families' rules and policies regarding mandatory reporting of abuse and neglect of a child and recommending changes to modernize them and reflect current best practices.

(b) The Working Group shall be composed of the following members:

(1) the Director of the Office of Professional Regulation or designee;

(2) the Executive Director of the Vermont Center for Crime Victim Services or designee;

(3) a co-executive director of the Vermont Network Against Domestic and Sexual Violence or designee;

(4) the Attorney General or designee;

(5) the Chief Administrative Judge or designee;

(6) two members from the Department for Children and Families' Family Services Division, appointed by the Deputy Commissioner of the Division;

(7) the Executive Director of Prevent Child Abuse Vermont or designee;  
and

(8) the Vermont Child, Youth, and Family Advocate.

(c) In conducting its work, the Working Group shall consult with stakeholders, including:

(1) Vermont Children's Alliance and representation from Child Advocacy Centers;

(2) the Department of State's Attorneys and Sheriffs;

(3) KidSafe Collaborative;

(4) Voices for Vermont's Children;

(5) Vermont Parent Representation Center;

(6) Disability Rights Vermont;

(7) medical partners, such as the University of Vermont's Child Safe Program; and

(8) individuals with lived experience as child victims of abuse and neglect.

(d) On or before January 15, 2027, the Working Group shall report its findings and any recommended legislative proposal to the House Committee on Human Services, Senate Committee on Health and Welfare, and Senate and House Committees on Judiciary.

(1) Any recommendations should remain consistent with federal requirements under the Child Abuse Prevention and Treatment Act (CAPTA), which establishes minimum standards related to state definitions of abuse and neglect, including physical abuse, neglect, sexual abuse or exploitation, and emotional maltreatment.

(2) To promote efficiency and avoid duplicative work, the Working Group shall leverage the work of the Children's Justice Act Task Force and the Vermont Citizens Advisory Board (VCAB), which serves as Vermont's CAPTA citizen review panel.

(3) The Working Group shall consider best practices from other states in development of its recommendations.

(e) The Working Group shall have the administrative, technical, and legal assistance of the Department for Children and Families.

(1) The Working Group shall convene its first meeting on or before August 15, 2026.

(2) The Working Group shall elect a chair at its first meeting.

(3) Five members shall constitute a quorum for meeting purposes.

## Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

## **S. 291.**

An act relating to travel disclosures for legislators and certain executive officers.

**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:

\* \* \* Travel Disclosures \* \* \*

Sec. 1. 3 V.S.A. § 1201 is amended to read:

§ 1201. DEFINITIONS

As used in this chapter:

\* \* \*

(10) “Immediate family” means an individual’s spouse, domestic partner, or civil union partner; child or foster child; sibling; parent; or such relations by marriage or by civil union or domestic partnership; or an individual claimed as a dependent for federal income tax purposes.

\* \* \*

(16) “Staff” means any individual who supports a member of the General Assembly or an executive officer in the member’s or executive officer’s official capacity and acts at the direction of the member or executive officer, whether paid or unpaid or receiving academic credit.

(17) “State officer” means the Governor, Lieutenant Governor, Treasurer, Secretary of State, Auditor of Accounts, or Attorney General.

~~(17)~~(18) “Unethical conduct” means any conduct of a public servant in violation of the Code of Ethics, as provided for in this chapter.

Sec. 2. 3 V.S.A. § 1214 is added to read:

§ 1214. TRAVEL DISCLOSURES; IN GENERAL

(a) Applicability.

(1) A member of the General Assembly or an executive officer shall file with the State Ethics Commission, or as otherwise directed by law, a disclosure detailing costs and associated information for any travel made in the course of the member’s or executive officer’s official capacity or that would not have likely occurred but for the member’s or executive officer’s status of occupying the member’s or executive officer’s office.

(2) Notwithstanding subdivision (1) of this subsection, a member or an executive officer is not required to file a disclosure if the travel is:

(A) fully paid by the member or executive officer, this State, or the federal government; or

(B) of de minimis value, meaning having a value of \$50.00 or less per source per occasion, provided that the aggregate market value of the individual item received from any one source shall not exceed \$150.00 in a calendar year.

(b) Contents and design of disclosure.

(1) A member of the General Assembly or an executive officer shall disclose, in writing:

(A) the purpose of the travel;

(B) whether the travel was purely in the member's or executive officer's official capacity or made for another purpose;

(C) the itinerary of travel, including dates of travel and any stopover or intentional visit to another location prior to the destination of travel;

(D)(i) with reasonable particularity, any expense made or reimbursement received for all costs associated with transportation to and from any destination, and food, refreshments, tickets and admissions, entertainment, lodging, and anything else of value, whether for cost or in kind, associated with the travel; and

(ii) notwithstanding the provisions of subdivision (i) of this subdivision (D), a member or an executive officer is not required to disclose any expenses or reimbursements for any travel fully paid by the member or executive officer, this State, or the federal government;

(E) the date of any expense or reimbursement; and

(F) if certain costs associated with the travel were in part paid for or reimbursed by any other source than the member or executive officer or this State, indicate what amount was paid for or reimbursed by:

(i) the State;

(ii) the member's or executive officer's own person; or

(iii) any other sources, including associations, lobbyists, political committees and parties, individuals, other countries, states, and territories.

(2) A member or an executive officer shall also make the same disclosures described in subdivision (1) of this subsection for any staff and immediate family accompanying the member or executive officer on the

travel. These disclosures shall include the name and title of any staff and only the nature of the relationship for any immediate family.

(3) A member or an executive officer shall attest to the veracity and completeness of the disclosed information and sign and date the disclosure.

(4) Disclosure forms shall, where appropriate, be designed by the State Ethics Commission.

(c) Filing date. A member of the General Assembly or an executive officer shall file the disclosure within 30 calendar days following the conclusion of travel.

(d) Supplemental disclosure. A member of the General Assembly or an executive officer shall file with the State Ethics Commission, or as otherwise directed by law, a supplemental disclosure in accordance with section 1203 of this title if a particular matter involving the payer or orchestrator of any expense or reimbursement detailed in subsection (b) of this section comes before the member or executive officer during the six months following such acceptance or reimbursement.

Sec. 3. 3 V.S.A. § 1215 is added to read:

§ 1215. TRAVEL DISCLOSURES; EXECUTIVE OFFICERS UNDER GOVERNOR

(a) Notwithstanding the requirements of subsection §1214(a) of this title, an executive officer serving under the Governor is not required to disclose any expenses or reimbursements for any travel if:

(1) that executive officer's travel is otherwise required to be approved, reported, and disclosed pursuant to a rule or bulletin as adopted by the Governor;

(2) that rule or bulletin conforms to the requirements of section 1214 of this title; and

(3) copies of all disclosures made by the executive officers pursuant to the rule or bulletin are posted on the Agency of Administration's website.

(b) The Agency of Administration may design its own disclosure forms for executive officers serving under the Governor, provided these forms conform to the requirements of subsection 1214(b) of this title.

\* \* \* General Amendments \* \* \*

Sec. 4. 3 V.S.A. § 1211 is amended to read:

§ 1211. EXECUTIVE OFFICERS; ANNUAL DISCLOSURE

(a) Annually, each Executive officer and county officer shall file with the State Ethics Commission a disclosure form that contains the following information in regard to the previous 12 months:

(1) each source, but not amount, of personal income of the officer and of the officer's spouse or domestic partner, and of the officer together with the officer's spouse or domestic partner, that totals more than \$5,000.00, including:

(A) the officer's employer or business name and address; and

(B) if self-employed, a description of the nature of the self-employment, including the names of any clients whose principal business activities are regulated by or that have a contract with any municipal or State office, department, or agency, provided that this information is known to the candidate officer or the candidate's officer's domestic partner and that the disclosed information is not confidential information;

(2) any board, commission, or other entity that is regulated by law on which the officer served and the officer's position on that entity;

\* \* \*

(6) a generalized description, but not amount, to the best of the candidate's officer's knowledge, of the following investments held by a candidate an officer or the candidate's officer's spouse or domestic partner:

(A) individual stock holdings valued at \$25,000.00 or more, which a candidate an officer exercises control over or has the ability to buy or sell, which shall be listed individually;

(B) interests in investment funds valued at \$25,000.00 or more that a candidate an officer or the candidate's officer's spouse or domestic partner has the ability to exercise control over the composition of assets within a fund, which shall be listed individually;

\* \* \*

(F) the details of any loan valued at \$10,000.00 or more, made to the candidate officer or the candidate's officer's spouse that is not a commercially reasonable loan made in the ordinary course of business; and

(7) the full name of the candidate's officer's spouse or domestic partner.

\* \* \*

Sec. 5. 3 V.S.A. § 1221 is amended to read:

§ 1221. STATE ETHICS COMMISSION

\* \* \*

(b) Membership.

(1) The Commission shall be composed of the following seven members:

(A) one member, appointed by the Chief Justice of the Supreme Court;

(B) one member, appointed by the League of Women Voters of Vermont, who shall be a member of the League;

(C) one member, appointed by the Board of Directors of the Vermont Society of Certified Public Accountants, who shall be a member of the Society;

~~(D) one member, appointed by the Board of Managers of the Vermont Bar Association, who shall be a member of the Association Governor;~~

(E) one member, appointed by the Board of Directors of the SHRM (Society for Human Resource Management) Vermont State Council, who shall be a member of the Council;

(F) one member, who shall be a former municipal officer, appointed by the Speaker of the House; and

(G) one member, who shall be a former municipal officer, appointed by the Senate Committee on Committees.

\* \* \*

(e) Meetings.

(1) Meetings of the Commission:

~~(1)(A)~~ shall be held at least quarterly for the purpose of the Executive Director updating the Commission on the Executive Director's work;

~~(2)(B)~~ may be called by the Chair and shall be called upon the request of any other two Commission members; and

~~(3)(C)~~ shall be conducted in accordance with 1 V.S.A. § 310 et seq.

(2) A majority of the currently appointed members of the Commission shall constitute a quorum. Once a quorum has been established, the vote of a majority of the members present at the time of the vote shall be an act of the Commission.

\* \* \*

\* \* \* Effective Date \* \* \*

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

**NOTICE CALENDAR**

**Committee Bill for Second Reading**

**Favorable with Recommendation of Amendment**

**S. 325.**

An act relating to studying the creation of model bylaws.

**By the Committee on Natural Resources and Energy, Senator Watson for the Committee.**

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

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

\* \* \* Intent \* \* \*

Sec. 1. LEGISLATIVE INTENT

The General Assembly finds that 2024 Acts and Resolves No. 181 represented a substantial restructuring of Vermont's land use review framework. This act is intended to provide technical clarification, transitional certainty, and implementation alignment, consistent with the intent of 2024 Acts and Resolves No. 181 and without altering its underlying policy goals.

\* \* \* Act 250 \* \* \*

Sec. 2. 10 V.S.A. § 6001(3) is amended to read:

(3)(A) "Development" means each of the following:

\* \* \*

(xii) The construction of a road or roads and any associated driveways to provide access to or within a tract of land owned or controlled by a person. For the purposes of determining jurisdiction under this subdivision, any new development or subdivision on a parcel of land that will be provided access by the road and associated driveways is land involved in the construction of the road.

\* \* \*

(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after ~~July 1, 2026~~ January 1, 2030, shall be included.

\* \* \*

(D) The word “development” does not include:

\* \* \*

(viii)(I) The construction of a priority housing project in a municipality with a population of 10,000 or more.

\* \* \*

(III) Notwithstanding any other provision of law to the contrary, until January 1, ~~2027~~ 2028, the construction of a priority housing project located entirely within areas of a designated downtown development district, designated neighborhood development area, or a designated growth center or within one-half mile around such designated center with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the designated center extends into an adjacent municipality, the legislative body of the adjacent ~~municipal~~ municipality may inform the Board that it does not want the exemption to extend into that area. This exemption shall not apply to areas within mapped river corridors and floodplains except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

Sec. 3. 10 V.S.A. § 6001(35) is amended to read:

(35) “Priority housing project” means a discrete project located on a single tract or multiple contiguous tracts of land that consists exclusively of mixed income housing or mixed use, or any combination thereof, and is located entirely within designated downtown development district, designated new town center, designated growth center, or designated neighborhood development area under 24 V.S.A. chapter 76A, or within an area mapped and approved by the Board as eligible for Tier 1B area status and is not currently approved for Tier 1B area status under section 6033 of this chapter.

Sec. 4. 10 V.S.A. § 6081 is amended to read:

§ 6081. PERMITS REQUIRED; EXEMPTIONS

\* \* \*

(z)(1) Notwithstanding any other provision of this chapter to the contrary, no permit or permit amendment is required for any subdivision, development, or change to an existing project that is located entirely within a Tier 1A area ~~under~~ as established in section 6034 of this chapter.

\* \* \*

(3) Upon receiving notice and a copy of the permit issued by an appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously issued permit for a development or subdivision located in a Tier 1A area shall remain attached to the property. However, neither the Board nor the Agency of Natural Resources shall enforce the permit or assert amendment jurisdiction on the tract or tracts of land unless the designation is revoked or the municipality has not taken any reasonable action to enforce the conditions of the permit.

\* \* \*

(bb) Until ~~July~~ January 1, 2028 2030, no permit or permit amendment is required for the construction of improvements for one accessory dwelling unit constructed within or appurtenant to a single-family dwelling. Units constructed pursuant to this subsection shall not count towards the total units constructed in other projects.

(cc) Until ~~July~~ January 1, 2028 2030, no permit or permit amendment is required for the construction of improvements for converting a structure used for a commercial purpose to 29 or fewer housing units.

(dd) Interim housing exemptions.

(1) Notwithstanding any other provision of law to the contrary, until January 1, ~~2027~~ 2030, no permit or permit amendment is required for the subdivision for or the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, and mixed-use development, with 75 units or fewer, constructed or maintained on a tract or tracts of land, located entirely within the areas of a designated new town center, a designated growth center, or a designated neighborhood development area served by public sewer or water services or soils that are adequate for wastewater disposal. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

(2)(A) Notwithstanding any other provision of law to the contrary, until ~~July~~ January 1, ~~2027~~ 2030, no permit or permit amendment is required for the subdivision for or the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, and mixed-use development, with 50 or fewer units, constructed or maintained on a tract or tracts of land of 10 acres or less, located entirely within:

(i) areas of a designated village center and within one-quarter mile of its boundary with permanent zoning and subdivision bylaws and served by public sewer or water services or soils that are adequate for wastewater disposal; or

(ii) areas of a municipality that are within a census-designated urbanized area with over 50,000 residents and within one-quarter mile of a transit route.

\* \* \*

(3) Notwithstanding any other provision of law to the contrary, until January 1, ~~2027~~ 2030, no permit or permit amendment is required for the subdivision for or the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, and mixed-use development, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. Housing units constructed pursuant to this subdivision shall not count towards the total units constructed in other areas. This exemption shall not apply to areas within mapped river corridors and floodplains except those areas containing preexisting development in areas suitable for infill development as defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

Sec. 5. 2024 Acts and Resolves No. 181, Sec. 22 is amended to read:

Sec. 22. TIER 3 RULEMAKING

(a) The Land Use Review Board, in consultation with the Secretary of Natural Resources, shall adopt rules to implement the requirements for the administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46) and (19). It is the intent of the General Assembly that these rules identify critical natural resources for protection. The Board shall review the definition of Tier 3 area; determine the critical natural resources that shall be included in Tier 3, giving due consideration to river corridors, headwater streams, habitat connectors of statewide significance, riparian areas, class A waters, and natural communities; determine any additional critical natural resources that should be

added to the definition; include measures to ensure that no municipality or region is disproportionately impacted by Tier 3 designation that would limit reasonable opportunities for Tier 1 or Tier 2 designations; determine which and under what circumstances criteria under 10 V.S.A. § 6086(a)(1)–(10) should be part of Tier 3 area review; and determine how to define the boundaries. Rules adopted by the Board shall include:

\* \* \*

(c) The Board shall file a final proposed rule with the Secretary of State and the Legislative Committee on Administrative Rules on or before ~~February 1~~ June 30, 2026 ~~2028~~. After the Land Use Review Board files the rule with the Legislative Committee on Administrative Rules, it shall submit a report describing the rules and the issues reviewed under this section to the House Committee on Environment ~~and Energy~~ and the Senate Committee on Natural Resources and Energy.

\* \* \*

Sec. 6. 10 V.S.A. § 6025 is amended to read:

§ 6025. RULES

\* \* \*

(d) Consistent with the intent of subdivision 6001(3)(A)(xii) and the Tier 3 rulemaking requirements, the Board shall have authority to adopt rules establishing a process to limit the criteria that would apply to road development pursuant to subdivision 6001(3)(A)(xii) and development within Tier 3 areas. The rules shall define which criteria will be reviewed and under what circumstances.

Sec. 7. 2024 Acts and Resolves No. 181, Sec. 114 is amended to read:

Sec. 114. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 12 (10 V.S.A. § 6001), and 13 (10 V.S.A. § 6086(a)(8)), ~~and 21 (10 V.S.A. § 6001)~~ shall take effect on ~~December 31, 2026~~ January 1, 2028 and Sec. 21 (10 V.S.A. § 6001) shall take effect on June 30, 2028;

(2) Sec. 19 (10 V.S.A. § 6001(3)(A)(xii)) shall take effect on ~~July 1, 2026~~ January 1, 2030;

\* \* \*

Sec. 8. 10 V.S.A. § 6034 is amended to read:

§ 6034. TIER 1A AREA STATUS

\* \* \*

(b) Tier 1A area status requirements.

(1) To obtain a Tier 1A area status under this section, a municipality shall demonstrate to the Board that it has each of the following:

\* \* \*

(G) The municipality has identified and planned for the maintenance of significant natural communities, ~~rare~~, threatened, and endangered species located in the Tier 1A area or excluded those areas from the Tier 1A area.

\* \* \*

\* \* \* Municipal zoning \* \* \*

Sec. 9. 24 V.S.A. § 4460 is amended to read:

§ 4460. APPROPRIATE MUNICIPAL PANELS

\* \* \*

(g)(1) This subsection shall apply to a subdivision or development that:

(A) was previously permitted pursuant to 10 V.S.A. chapter 151;

(B) is located in a Tier 1A area pursuant to 10 V.S.A. § 6034; and

(C) has applied for a permit or permit amendment required by zoning regulations or bylaws adopted pursuant to this subchapter.

(2) The appropriate municipal panel reviewing a municipal permit or permit amendment pursuant to this subsection shall include conditions contained within a permit previously issued pursuant to 10 V.S.A. chapter 151, so that the conditions may be enforced as part of the municipal permit, unless the panel determines that the permit condition pertains to any of the following:

(A) the construction phase of the project that has already been constructed;

(B) compliance with another State permit that has independent jurisdiction;

(C) federal or State law that is no longer in effect or applicable;

(D) an issue that is addressed by municipal regulation and the project will meet the municipal standards; or

(E) a physical or use condition that is no longer in effect or applicable or that will no longer be in effect or applicable once the new project is approved.

(3) After issuing or amending a permit containing conditions pursuant to this subsection, the appropriate municipal panel shall provide notice and a copy of the permit to the Land Use Review Board.

(4) The appropriate municipal panel shall comply with the notice and hearing requirements provided in subdivision 4464(a)(1) of this title. In addition, notice shall be provided to those persons requiring notice under 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

(5) The appropriate municipal panel's decision shall be issued in accordance with subsection 4464(b) of this title and shall include specific findings with respect to its determinations pursuant to subdivision (2) of this subsection.

(6) Any final action by the appropriate municipal panel affecting a condition of a permit previously issued pursuant to 10 V.S.A. chapter 151 shall be recorded in the municipal land records.

~~(h) Within a Tier 1A area, the appropriate municipal panel shall enforce any existing permits issued under 10 V.S.A. chapter 151 that has not had its permit conditions transferred to a municipal permit pursuant to subsection (g) of this section.~~

#### Sec. 10. DISCRETIONARY REVIEW OF HOUSING; REPORT

(a) On or before January 15, 2027, the Department of Housing and Community Development, after consultation with the Vermont League of Cities and Towns, Let's Build Homes, the Vermont Natural Resources Council, and the Vermont Planners Association, shall report to the General Assembly on recommendations for how to reduce the negative impacts of discretionary review of residential development. The Department shall consider the following: whether the State should establish a Vermont Model Code to assist municipalities seeking to replace discretionary review with clear and objective standards; the potential value of the federal Right to Build Zone legislation and steps the State can take to maximize that value; and incentives and planning assistance the State can offer municipalities seeking to limit discretionary review.

(b) The report shall also include a status update on the 802 Homes pilot program and recommendations for how to improve the efficiency of appeals of municipal zoning permits for housing.

(c) The report shall be submitted to the House Committees on Environment and on Housing and General and the Senate Committees on Economic Development, Housing, and General Affairs and on Natural Resources and Energy.

\* \* \* Regional Planning \* \* \*

Sec. 11. 24 V.S.A. § 4348 is amended to read:

§ 4348. ADOPTION AND AMENDMENT OF REGIONAL PLAN

\* \* \*

(b) ~~60~~ Sixty days prior to holding the first public hearing on a regional plan adoption, a regional planning commission shall submit a draft regional plan to the Land Use Review Board for review and comments related to conformance of the draft with sections 4302 and 4348a of this title and chapter 139 of this title. The Board shall coordinate with other State agencies and the Community Investment Board and respond within 60 days unless more time is granted by the regional planning commission.

(c) The regional planning commission shall hold two or more public hearings within the region after public notice on any proposed plan ~~or amendment~~. The minimum number of required public hearings may be specified within the bylaws of the regional planning commission.

(d)(1) At least 30 days prior to the first hearing, a copy of the proposed plan ~~or amendment~~, a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter, and a description of any changes to the Regional Future Land Use Map with a request for general comments and for specific comments with respect to the extent to which the plan ~~or amendment~~ is consistent with the goals established in section 4302 of this title, shall be delivered physically or electronically with proof of receipt or sent by certified mail, return receipt requested, to each of the following:

\* \* \*

(e) Any of the foregoing bodies, or their representatives, may submit comments on the proposed regional plan ~~or amendment~~ to the regional planning commission, and may appear and be heard in any proceeding with respect to the adoption of the proposed plan ~~or amendment~~.

(f) The regional planning commission may make revisions to the proposed plan ~~or amendment~~ at any time not less than 30 days prior to the final public hearing held under this section. If the proposal is changed, a copy of the proposed change shall be delivered physically; electronically with proof of receipt; or by certified mail, return receipt requested, to the chair of the legislative body of each municipality within the region and to any individual or organization requesting a copy at least 30 days prior to the final hearing.

\* \* \*

(h)(1) Within 15 days following adoption, a regional planning commission shall submit its regionally adopted regional plan to the Land Use Review Board for a determination of regional plan compliance with a report documenting conformance with the goals established in section 4302 of this chapter and the plan elements established in section 4348a of this chapter and a description of any changes to the regional plan future land use map.

\* \* \*

(4) The Land Use Review Board's affirmative determination shall be based upon finding the regional plan meets the following requirements:

\* \* \*

(j) Minor amendments to regional plan future land use map. A regional planning commission may submit a request for a minor amendment to boundaries of a future land use area for consideration by the Land Use Review Board with a letter of support from the municipality. The request may only be submitted after an affirmative vote of the municipal legislative body and the regional planning commission board. The Land Use Review Board, after consultation with the Community Investment Board and the regional planning commissions, shall provide guidance about what constitutes a minor amendment. Minor amendments may include any change to a future land use area consisting of fewer than 10 acres. A minor amendment to a future land use area shall not require an amendment to a regional plan and shall be included in the next iteration of the regional plan. The Land Use Review Board may adopt rules to implement this section.

\* \* \*

(n) Regional plan amendments, non-minor future land use map amendments, and Tier 1B area status requests. Regional plans may be reviewed from time to time and may be amended in the light of new developments and changed conditions affecting the region. Non-minor future land use map amendments shall be processed as part of a regional plan amendment. Tier 1B area status requests may be made separate from the regional plan approval or amendment process.

(1) Process.

(A) To amend a regional plan, which may include a non-minor future land use map amendment, a regional planning commission shall hold one public hearing. At least 15 days in advance of the hearing, the regional planning commission shall provide notice of the public hearing to parties listed in subdivision (d)(1) of this section and the Land Use Review Board. The public hearing notice shall include a description of changes to the plan

including non-minor amendments to future land use maps, or any changes to Tier 1B area status.

(B) After adoption of the regional plan amendment, the regional planning commission shall submit a request to the Land Use Review Board for an affirmative determination of regional plan compliance for the regional plan amendment.

(C) Stand-alone requests for Tier 1B area status shall be submitted to the Land Use Review Board after the public hearing required under subdivision (A) of this section.

(D) The Land Use Review Board shall hold a public hearing within 30 days after receiving the request for an affirmative determination of regional plan amendment compliance or approval of Tier 1B area status. The Land Use Review Board shall issue its determination within 30 days after the hearing.

(2) Adoption of a regional plan amendment, non-minor future land use map amendment, or Tier 1B area status request or amendment shall not change the expiration date of the regional plan.

\* \* \*

Sec. 12. 24 V.S.A. § 4348a is amended to read:

§ 4348a. ELEMENTS OF A REGIONAL PLAN

(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:

\* \* \*

(12) A future land use element, based upon the elements in this section, that sets forth the present and prospective location, amount, intensity, and character of such land uses in relation to the provision of necessary community facilities and services and that consists of a map delineating future land use area boundaries for the land uses in subdivisions (A)–(J) of this subdivision (12) as appropriate and any other special land use category the regional planning commission deems necessary; descriptions of intended future land uses, consistent with the smart growth principles in section 4303 of this chapter; and policies intended to support the implementation of the future land use element using the following land use categories:

(A) Downtown or village centers. These areas are the mixed-use centers bringing together community economic activity and civic assets. They include downtowns, villages, and new town centers previously designated under chapter 76A and downtowns and village centers seeking benefits under the Community Investment Program under section 5804 of this title. The

downtown or village centers are the traditional ~~and~~ or historic central business and civic centers within planned growth areas, village areas, or may stand alone. Municipalities may have more than one center, including planned new or emerging centers that anchor planned growth or village areas. Village centers are not required to have public water, wastewater, zoning, or subdivision bylaws. It is the intent that most towns in Vermont have at least one village center in which additional housing units are supported.

(B) Planned growth areas. These areas include the high-density existing settlement and future growth areas with high concentrations of population, housing, and employment in each region and town, as appropriate. They include a mix of historic and nonhistoric commercial, residential, and civic or cultural sites with active streetscapes, supported by land development regulations; public water or wastewater, or both; and multimodal transportation systems. These areas include ~~new town centers, downtowns, village centers,~~ growth centers, and neighborhood development areas previously designated under chapter 76A of this title. These areas should generally meet ~~the smart growth principles definition in chapter 139 of this title and~~ the following criteria:

\* \* \*

(iii) The area is generally ~~within walking distance from compact and has multimodal connection to~~ the municipality's or an adjacent municipality's downtown; or village center; ~~new town center, or growth center.~~

\* \* \*

(vi) The area provides ~~for~~ opportunity for development, infill development, and redevelopment that is needed to meet the regional and municipal housing targets that meets meet the present and future needs of a diversity of social and income groups in the community.

(vii) The area is served by planned or existing transportation infrastructure that conforms with "complete streets" principles as described under 19 V.S.A. chapter 24 and establishes pedestrian access directly to the downtown; or village center; ~~or new town center.~~ Planned transportation infrastructure includes those investments included in the municipality's capital improvement program pursuant to section 4430 of this title.

(C) Village areas. These areas include the traditional settlement area or a proposed new settlement area, typically composed of a cohesive mix of residential, civic, religious, commercial, ~~and~~ or mixed-use buildings, arranged along a main street and intersecting streets that are ~~within walking distance~~

compact and have multimodal connections for residents who live within and surrounding the core downtown center or village center. ~~These areas include existing village center designations and similar areas statewide, but this area is larger than the village center designation.~~ Village areas shall meet the following criteria:

\* \* \*

(iv) The municipality has either municipal public water or wastewater. If no public water or wastewater is available, the area must have soils that are adequate for wastewater disposal.

(v) The area has some opportunity for infill development or new development areas where the village can grow, support the development of housing to meet the regional and municipal housing targets, and be flood resilient.

\* \* \*

(J) Rural; conservation. These are areas of significant natural resources, identified by regional planning commissions or municipalities based upon existing Agency of Natural Resources mapping that require special consideration for aquifer protection; for wetland protection; for the maintenance of forest blocks, wildlife habitat, and habitat connectors; or for other conservation purposes. ~~The mapping of these areas and accompanying policies are intended to help meet requirements of 10 V.S.A. chapter 89. Any portion of this area that is approved by the LURB as having Tier 3 area status shall be identified on the future land use map as an overlay upon approval.~~

\* \* \*

(d) With the exception of preexisting, nonconforming designations approved prior to the establishment of the State Community Investment program, the areas eligible for designation benefits under that program upon the Land Use Review Board's approval of the regional plan future land use map for designation as a downtown center or village center shall not include development that is disconnected from a downtown or village center and that lacks an existing or planned pedestrian connection to the center via a complete street.

\* \* \*

Sec. 13. 24 V.S.A. § 4303 is amended to read:

#### § 4303. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context otherwise requires:

\* \* \*

(43) “Smart growth principles” means growth that:

(A) maintains the historic development pattern of compact village and urban centers separated by rural countryside;

(B) develops compact mixed-use centers at a scale appropriate for the community and the region;

(C) enables choice in modes of transportation;

(D) protects the State’s important environmental, natural, and historic features, including natural areas, water quality, scenic resources, and historic sites and districts;

(E) serves to strengthen agricultural and forest industries and minimizes conflicts of development with these industries;

(F) balances growth with the availability of economic and efficient public utilities and services;

(G) supports a diversity of viable businesses in downtowns and villages;

(H) provides for housing that meets the needs of a diversity of social and income groups in each community; and

(I) reflects a settlement pattern that, at full build-out, is not characterized by:

(i) scattered development located outside compact urban and village centers that is excessively land consumptive;

(ii) development that limits transportation options, especially for pedestrians;

(iii) the fragmentation of farmland and forestland;

(iv) development that is not serviced by municipal infrastructure or that requires the extension of municipal infrastructure across undeveloped lands in a manner that would extend service to lands located outside compact village and urban centers; and

(v) linear development along well-traveled roads and highways that lacks depth, as measured from the highway.

Sec. 14. REPEAL

24 V.S.A. § 4476 (formal review of regional planning commission decisions) is repealed.

Sec. 15. REGIONAL AND MUNICIPAL PLAN EXTENSIONS

Any regional or municipal plan due to expire in 2026 shall have its expiration date extended until December 31, 2026.

\* \* \* State Community Investment Program \* \* \*

Sec. 16. 24 V.S.A. § 5801 is amended to read:

§ 5801. DEFINITIONS

As used in this chapter:

\* \* \*

(8) “Planned growth area” means an area on the regional plan future land use maps ~~required under section 4348a of this title, which may encompass a downtown center or village center on the regional future land use map and may be designated as a center or neighborhood, or both~~ meeting the requirements of subdivision 4348a(12)(B) of this title and that may be designated as a neighborhood.

\* \* \*

(10) “Sprawl repair” means the redevelopment of lands with buildings, traffic and circulation, parking, or other land coverage in a pattern that is consistent with smart growth principles as defined in section 4303 of this title.

\* \* \*

(12) “~~State Designated Downtown and~~ Center or Village Center” or “designated center” means a ~~contiguous downtown or village a portion of which is listed or eligible for listing in the national register of historic places area~~ center approved as part of the LURB review of regional plan future land use maps, ~~which may include an approved preexisting designated designated downtown, village center, or designated new town center established prior to the approval of the regional plan future land use maps.~~

(13) “~~State designated~~ Designated neighborhood” or “neighborhood” means a ~~contiguous geographic~~ village area or planned growth area approved as part of the ~~Land Use Review Board~~ LURB review of regional plan future land use maps that is ~~compact and adjacent and~~ contiguous to a center.

\* \* \*

(15) “Village area” means an area on the regional plan future land use maps ~~adopted pursuant to section 4348a of this title, which may encompass a village center on the regional future land use map~~ meeting the requirements of

subdivision 4348a(12)(C) of this title and that may be designated as a neighborhood.

Sec. 17. 24 V.S.A. § 5803 is amended to read:

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

(a) Designation established. A regional planning commission may apply to the LURB for approval and designation of all downtown and village centers by submitting the regional plan future land use map adopted by the regional planning commission. ~~The regional plan future land use map shall identify downtown centers and village centers as the downtown and village areas eligible for designation as centers.~~ The Department and State Board shall provide comments to the LURB and the regional planning commission on areas eligible for center designation as provided ~~under~~ in section 4348 of this chapter title.

\* \* \*

~~(c) Exclusions. With the exception for preexisting, nonconforming designations approved prior to the establishment of the program under this chapter or areas included in the municipal plan for the purposes of relocating a municipality's center for flood resiliency purposes, the areas eligible for designation benefits upon the LURB's approval of the regional plan future land use map for designation as a Center shall not include development that is disconnected from a Center and that lacks a pedestrian connection to the Center via a complete street. [Repealed.]~~

\* \* \*

\* \* \* Tax Credits \* \* \*

Sec. 18. 32 V.S.A. § 5930bb is amended to read:

§ 5930bb. ELIGIBILITY AND ADMINISTRATION

\* \* \*

(c) Application shall be made in accordance with the guidelines set by the State Board. The guidelines shall clearly indicate that only applications located in Step 2 and Step 3 State designated centers or Step 1 centers where a portion of the designated center is listed or eligible for listing in the national register of historic places shall be considered.

\* \* \*

\* \* \* Appropriations \* \* \*

Sec. 19. APPROPRIATIONS

(a) In fiscal year 2027, \$200,000.00 is appropriated from the General Fund to the Agency of Commerce and Community Development to develop additional model plans as part of the 802 Homes program.

(b) In fiscal year 2027, \$100,000.00 is appropriated from the General Fund to the Land Use Review Board to conduct public engagement and education on Tier 3 areas.

\* \* \* Effective Date \* \* \*

Sec. 20. 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 regional planning and Act 250 Tier jurisdiction”

(Committee vote: 5-0-0)

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

The Committee recommends that the bill ought to pass when amended as recommended by the Committee on Natural Resources and Energy.

(Committee vote: 7-0-0)

**S. 326.**

An act relating to miscellaneous amendments to laws relating to motor vehicles.

**By the Committee on Transportation, Senator Westman for the Committee.**

**Reported favorably with recommendation of amendment by Senator Westman 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:

\* \* \* Nondriver Identification Cards \* \* \*

Sec. 1. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a)(1) Any Vermont resident who does not have an operator's license may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants,

the written consent of the applicant's parent, guardian, or other person standing in loco parentis.

\* \* \*

(4) An individual shall not hold at the same time an operator's license and a nondriver identification card issued pursuant to this section.

\* \* \*

(g)(1) An identification card issued to a first-time applicant and any subsequent renewals by that ~~person~~ individual shall contain a photograph or imaged likeness of the applicant.

(2) The photographic identification card shall be available at a location designated by the Commissioner.

~~(3)(A) An~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (g)(3), an individual issued an identification card under this subsection that contains an imaged likeness section may renew the individual's identification card by mail.

~~(B) Except that a renewal by an individual required to have a photograph or imaged likeness under this subsection must be made~~ An identification card issued pursuant to this section shall be renewed in person so that an updated imaged likeness of the individual is obtained not less often than at least once every nine years to permit an updated photograph or imaged likeness of the holder to be obtained.

\* \* \*

~~(k) At the option of the applicant,~~ An applicant shall surrender the applicant's valid Vermont license may be surrendered in connection with an application for an identification card pursuant to this section. In those instances, the fee due under subsection (a) of this section shall be reduced by:

\* \* \*

(m)(1) An individual who is sentenced to serve a period of imprisonment of six months or more committed to the custody of the Commissioner of Corrections in a correctional facility and who is eligible for a nondriver identification card under the requirements of this section shall, upon proper application and submission of the documentation required for a non-REAL ID or REAL ID identification card and in advance of release from a correctional facility, be provided with a nondriver identification card for a fee of \$0.00.

(2) As part of reentry planning, the Department of Corrections shall inquire with the individual to be released about the individual's desire to

obtain a nondriver identification card, operator's license, or any driving credential replacement learner's permit, if eligible, and inform the individual about the differences, including any costs to the individual.

(3) If the individual desires a nondriver identification card, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an identification card for the individual at the time of release.

(n)(1) If an individual who is detained for six months or more in a correctional facility is eligible for a nondriver identification card under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID nondriver identification card and shall provide the individual with the documentation at the time of release.

(2) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(3) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a nondriver identification card for a fee of \$0.00.

(4) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID nondriver identification card.

(o) The Commissioner shall provide a form that, upon the individual's execution, shall serve as a document of an anatomical gift under 18 V.S.A. chapter 110. An indicator shall be placed on the nondriver identification card of any individual who has executed an anatomical gift form in accordance with this section.

(p) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

\* \* \* Operator's Licenses \* \* \*

Sec. 2. 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

\* \* \*

(c)(1) An individual who is sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired license issued under the provisions of this subchapter or who held a Vermont operator's license that expired not more than three years prior shall:

(A) be eligible to apply for a replacement license pursuant to the provisions of this section; and

(B) upon proper application and submission of the documentation required for a non-REAL ID or REAL ID and in advance of release from a correctional facility, be provided with a replacement operator's license for a fee of \$0.00.

(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.

(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.

(4) If an individual would like to obtain an operator's license pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an operator's license to the individual at the time the individual is released from the correctional facility.

Sec. 3. 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

\* \* \*

(d)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement license pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement license pursuant to this subsection, the individual:

(A) holds an unexpired license issued under the provisions of this subchapter; or

(B) held a Vermont operator's license that expired not more than three years prior.

(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement operator's license under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID operator's license and shall provide the individual with the documentation at the time of release.

(3) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement operator's license for a fee of \$0.00.

(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID replacement operator's license.

(e) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

Sec. 4. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

\* \* \*

(d)(1) An applicant shall pay \$24.00 to the Commissioner for each learner's permit or a duplicate or renewal thereof.

\* \* \*

(4) A replacement learner's permit issued pursuant to subsection (g) of this section shall be issued for a fee of \$0.00.

\* \* \*

(g)(1) An individual sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired learner's permit issued under the provisions of this section or who held a learner's permit issued under the provisions of this section that expired not more than two years prior shall:

(A) be eligible to apply for a replacement learner's permit pursuant to the provisions of this section; and

(B) upon proper application and submission of all required documentation in advance of release from a correctional facility, be provided with a replacement learner's permit upon release.

(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.

(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.

(4) If an individual would like to obtain a replacement learner's permit pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide a replacement learner's permit to the individual at the time the individual is released from the correctional facility.

Sec. 5. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

\* \* \*

(h)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement learner's permit pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement learner's permit pursuant to this subsection, the individual:

(A) holds an unexpired learner's permit issued under the provisions of this section; or

(B) held a learner's permit issued under the provisions of this section that expired not more than two years prior.

(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement learner's permit under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a learner's permit and shall provide the individual with the documentation at the time of release from the correctional facility.

(3) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement learner's permit for a fee of \$0.00.

(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a replacement learner's permit.

(i) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

Sec. 6. 28 V.S.A. § 102 is amended to read:

§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;  
POWERS; RESPONSIBILITIES

\* \* \*

(c) The Commissioner is charged with the following responsibilities:

\* \* \*

(25) To coordinate with the Department of Motor Vehicles to provide eligible individuals with nondriver identification cards and documentation pursuant to 23 V.S.A. § 115(m) and (n), replacement operator's licenses and documentation pursuant to 23 V.S.A. § 613(c) and (d), and replacement learner's permits and documentation pursuant to 23 V.S.A. § 617(g) and (h).

\* \* \* Insufficient Funds for Fees \* \* \*

Sec. 7. 23 V.S.A. § 110 is amended to read:

§ 110. ~~BAD CHECKS~~ INSUFFICIENT FUNDS RECEIVED FOR FEES

(a) Whenever any check or electronic funds transfer, including a credit or debit charge, issued in payment of any fee or for any other purpose is tendered to the Department of Motor Vehicles and payment is not honored by the bank on which the check is drawn or entity to which the electronic funds transfer is submitted, the Commissioner shall send a written notice of its nonpayment to the maker or person presenting the check and if the check is not immediately made good who provided insufficient funds and, if the required amounts are not promptly paid as required by the Commissioner, the Commissioner shall suspend the license or registration of the person or persons. In no case shall the license or registration be reinstated until settlement has been made in full. Settlement in full shall also include the payment of any penalties assessed by the State Treasurer.

(b) The Commissioner may require payment for any transaction solely by certified check or in cash from persons whose licenses or registrations are under suspension pursuant to subsection (a) of this section or from persons who have repeatedly tendered checks or electronic payments to the Department that have not been honored ~~by the bank on which drawn~~.

\* \* \*

\* \* \* Penalties for Operation of Prohibited Vehicles in Smugglers' Notch \* \* \*

Sec. 8. 23 V.S.A. § 1006b is amended to read:

§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT  
ROUTE 108; VEHICLE OPERATION PROHIBITED

\* \* \*

(b) Vehicle operation prohibition.

\* \* \*

(2) The employer of an operator who is operating a vehicle in the scope of employment and violates this subsection or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation results in substantially impeding the flow of traffic on Vermont Route 108, a civil penalty of ~~\$2,000.00~~ \$20,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.

\* \* \*

\* \* \* Salvage Titles \* \* \*

Sec. 9. 23 V.S.A. § 2091 is amended to read:

§ 2091. SALVAGE CERTIFICATES OF TITLE; FORWARDING OF  
PLATES AND TITLES OF CRUSHED VEHICLES

\* \* \*

(b)(1) Except as provided in subsection (c) of this section, the application shall be accompanied by:

(1)(A) any certificate of title for the vehicle; and

(2)(B) any other information or documents that the Commissioner may reasonably require to establish ownership of the vehicle and the existence or nonexistence of any security interest in the vehicle.

(2)(A) Supporting documents used to transfer ownership of a vehicle to an insurer following payment of damages:

(i) shall not require a notarized signature;

(ii) may be signed electronically; and

(iii) may be printed on hard copy.

(B) As used in this subdivision (b)(2):

(i) “Signed electronically” means that a person, with the intent to sign the record, uses an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person. For purposes of this subdivision (b)(2), an electronic signature on a supporting document shall utilize a secure authentication system that identifies the signatory with a degree of certainty equivalent to or greater than level 2 as described in the National Institute of Standards and Technology’s June 2017 Digital Identity Guidelines, NIST Special Publication 800-63-3, Revision 3.

(ii) “Supporting documents” include bills of sale, title documents, odometer disclosure forms, and powers of attorney.

(C) An insurer shall indemnify and hold harmless the Department for any claims arising from the issuance of a certificate of title pursuant to this section.

\* \* \*

\* \* \* Duplicate Titles \* \* \*

Sec. 10. 23 V.S.A. § 2022 is amended to read:

§ 2022. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

\* \* \*

Sec. 11. 23 V.S.A. § 3801 is amended to read:

§ 3801. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

\* \* \*

(20) "Title or certificate of title" means a written instrument or document that certifies ownership of a vessel, snowmobile, or all-terrain vehicle and is issued by the Commissioner or equivalent official of another jurisdiction.

\* \* \*

Sec. 12. 23 V.S.A. § 3815 is amended to read:

§ 3815. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate of title, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

\* \* \*

\* \* \* Title Appeals \* \* \*

Sec. 13. 23 V.S.A. § 2005 is amended to read:

§ 2005. APPEAL

A person aggrieved by an act or omission of the Commissioner under this chapter may appeal to the Civil Division of the Washington Unit of the Superior Court ~~for Washington County~~ in the same manner as is provided for in other civil actions.

\* \* \* Abandoned Motor Vehicles \* \* \*

Sec. 14. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

\* \* \*

(2) a vehicle:

(A) owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration; ~~or;~~

(B) used by an educational institution approved by the Agency of Education for driver training purposes; ~~or~~

(C) a vehicle used by a manufacturer solely for testing;

\* \* \*

Sec. 15. 23 V.S.A. § 2158 is amended to read:

§ 2158. FEES FOR TOWING; PUBLIC PROPERTY; FUNDING

(a)(1) A towing service may charge a fee of up to ~~\$125.00~~ \$250.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter.

(2) This fee shall be paid to:

(A) ~~the~~ a towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor vehicles vehicle under section 2156 of this title; or

(B) the Agency of Transportation if the Agency has a vehicle towed from a State right-of-way and submits proof acceptable to the Commissioner that the Agency has paid a towing service to tow the vehicle from the State right-of-way.

(3) The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management, who shall issue payment to the towing service or Agency of Transportation, as applicable, for vehicles removed from public property.

\* \* \*

\* \* \* Diesel Fuel Tax \* \* \*

Sec. 16. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

(a) Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

\* \* \*

~~(3)(A)~~(b)(1) Distributors and dealers filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

~~(B)~~(2) Users filing a report required under subsection 3014(b) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through

the U.S. mail. If a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned by or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

~~(4)(c)~~ All taxes, interest, user license fees, and penalties collected by the Department of Motor Vehicles under this chapter shall be paid immediately to the State Treasurer and credited to the Transportation Fund.

~~(5)(d)~~ Notwithstanding ~~subdivision (4) subsection (c)~~ of this section, the one cent per gallon fee imposed by this chapter shall be deposited into the Petroleum Cleanup Fund established by 10 V.S.A. § 1941. These fees shall be deemed the petroleum distributor licensing fee established by 10 V.S.A. § 1942.

\* \* \* Purchase and Use Tax \* \* \*

Sec. 17. 32 V.S.A. § 8902 is amended to read:

§ 8902. DEFINITIONS

Unless otherwise expressly provided, as used in this chapter:

\* \* \*

~~(4)(A)~~ “Purchase price” for a vehicle that is purchased outright means the gross consideration, exclusive of the tax hereby imposed, that is to be paid for the motor vehicle, expressed in terms of U.S. currency as of the time of the sale, and shall include the any cash consideration payment, if any, plus as well as the value of any services or property given or to be given, or both, in exchange for the motor vehicle.

~~(B)~~ ~~In the case of a lease, the purchase price shall mean~~ “Purchase price” for a leased vehicle means an amount computed by subtracting the lease end value of the motor vehicle from the original acquisition cost of the motor vehicle. For purposes of this subdivision ~~(4)(B)~~, the original acquisition cost of a motor vehicle is the gross consideration amount that the lessee would pay for the motor vehicle if the lessee purchased the motor vehicle on the date of execution of the lease contract, as stated in the lease contract or worksheet, and the lease end value is the value of the motor vehicle at the end of the lease period, as stated in the lease contract or worksheet or as determined under section 8907 of this title.

(5)(A) "Taxable cost" means the purchase price as defined in subdivision (4) of this section or the taxable cost as determined under section 8907 of this title.

(B) For any purchaser who has paid tax on the purchase or use of a motor vehicle that was sold or traded by the purchaser or for which the purchaser received payment under a contract of insurance, the taxable cost of the replacement motor vehicle other than a leased vehicle shall exclude:

\* \* \*

(ii)(I) The amount received from the sale of a motor vehicle last registered or titled in the seller's name, the amount which shall not to exceed the clean trade-in value of the same make, type, model, and year of manufacture as designated by the manufacturer and as shown in the J.D. Power Values, or any comparable publication, provided the sale occurs within three months after the taxable purchase. The Commissioner may develop a process to determine the value of vehicles that do not have a clean trade-in value in J.D. Power Values.

(II) ~~However, this~~ The three-month period shall be extended day-for-day for any time that a member of a guard unit the National Guard or of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), spends outside Vermont due to activation or deployment and an additional 60 days following the individual's return from activation or deployment.

(III) The amount shall be reported on forms supplied by the Commissioner of Motor Vehicles.

\* \* \*

(13) "Gross vehicle weight rating" and "GVWR" mean the value specified by the manufacturer of a vehicle as the maximum loaded weight of the vehicle.

(14) "Month" means a period of 30 days.

(15) "Trailer" has the same meaning as in 23 V.S.A. § 4(40) and includes a "semi-trailer," as that term is defined in 23 V.S.A. § 4(40).

(16) "Trailer coach" has the same meaning as in 23 V.S.A. § 4(41).

(17) "Year" means a period of 365 days.

Sec. 18. 32 V.S.A. § 8903 is amended to read:

§ 8903. TAX IMPOSED

(a)(1) There is hereby imposed upon the purchase in Vermont of a motor vehicle or trailer by a resident a tax at the time of such purchase, payable as ~~hereinafter~~ provided pursuant to this chapter. The amount of the tax shall be six percent of the taxable cost of a:

\* \* \*

(C) motor home as defined in subdivision 8902(11) of this title or trailer coach as defined in subdivision 8902(16) of this title; or

(D) motor vehicle weighing with a gross vehicle weight rating (GVWR) of up to ~~10,099~~ 13,500 pounds, registered pursuant to 23 V.S.A. § 367, other than a farm truck.

(2) For any other motor vehicle or trailer, it shall be six percent of the taxable cost of the motor vehicle or trailer or \$2,486.00 for each motor vehicle or trailer, whichever is smaller, except that pleasure cars and trailers that are purchased, leased, or otherwise acquired for use in short-term rentals shall be subject to taxation under subsection (d) of this section.

(b)(1) There is hereby imposed upon the use within this State a tax of six percent of the taxable cost of a:

\* \* \*

(C) motor home as defined in subdivision 8902(11) of this title or trailer coach as defined in subdivision 8902(16) of this title; or

(D) motor vehicle weighing with a GVWR of up to ~~10,099~~ 13,500 pounds, registered pursuant to 23 V.S.A. § 367, other than a farm truck.

(2) For any other motor vehicle or trailer, it shall be six percent of the taxable cost of the motor vehicle or trailer or \$2,486.00 for each motor vehicle or trailer, whichever is smaller, by a person at the time of first registering or transferring a registration to ~~such~~ the motor vehicle or trailer payable as ~~hereinafter~~ provided pursuant to this chapter, except no use tax shall be payable ~~hereunder~~ pursuant to this subsection if the tax imposed by subsection (a) of this section has been paid, or the vehicle is a pleasure car or trailer that was purchased, leased, or otherwise acquired for use in short-term rentals, in which case the vehicle shall be subject to taxation under subsection (d) of this section.

\* \* \*

(g)(1) There is hereby imposed upon the titling in this State a tax at the rate provided for in subsection (a) or (b) of this section of the taxable cost of a:

\* \* \*

(C) motor home as defined in subdivision 8902(11) of this title or trailer coach as defined in subdivision 8902(16) of this title; or

(D) motor vehicle weighing with a GVWR of up to 10,099 13,500 pounds, registered pursuant to 23 V.S.A. § 367, other than a farm truck.

(2) For any other motor vehicle or trailer, it shall be at the rate provided for in subsection (a) or (b) of this section and paid by a person at the time of obtaining a certificate of title to the vehicle or trailer, except no tax shall be payable ~~hereunder~~ pursuant to this section if the tax imposed by subsection (a) or (b) of this section has been paid, or the vehicle is a pleasure car or trailer that was purchased, leased, or otherwise acquired for use in short-term rentals, in which case the vehicle shall be subject to taxation under subsection (d) of this section.

\* \* \* Operation of Snowmobiles \* \* \*

Sec. 19. 23 V.S.A. § 3207 is amended to read:

§ 3207. PENALTIES AND REVOCATION OR SUSPENSION OF REGISTRATION

\* \* \*

(c) A person who violates any of the following sections of this title shall be subject to a civil penalty of \$135.00 for each violation:

~~§ 3202 operation of an unregistered snowmobile~~

\* \* \*

(g) A person who violates the provisions of section 3202 of this chapter shall be subject to a civil penalty of \$450.00 for a first offense and \$500.00 for a second or subsequent offense within a three-year period.

(h) The Commissioner or ~~his or her~~ the Commissioner's authorized agent may suspend or revoke the registration of any snowmobile registered in this State and repossess the number and certificate to it, when ~~he or she~~ the Commissioner is satisfied that:

\* \* \*

~~(h)~~(i) Civil penalties established under this section shall be mandatory and may shall not be reduced.

\* \* \* Commercial Driver's Licenses \* \* \*

Sec. 20. 23 V.S.A. § 4107 is amended to read:

§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

\* \* \*

(d)(1) Notwithstanding the provisions of this section, during an emergency declared by the Governor, an employee of a State agency or a Vermont municipality may operate a commercial motor vehicle with a weight of 26,001 or more pounds without being required to hold a commercial driver's license while the emergency or emergency condition is ongoing if:

(A) expressly permitted to do so pursuant to the terms of the Governor's declaration; and

(B) the individual is performing official duties or activities related to the execution of emergency governmental functions pursuant to 49 C.F.R. 383.3(d)(2).

(2) An individual operating a vehicle pursuant to the provisions of this subsection shall have a valid operator's license issued pursuant to chapter 9 of this title or the applicable laws of another state.

(3) As used in this subsection, "emergency" means a situation, condition, or event that involves significant imminent or ongoing risk to public health and safety, infrastructure, or property.

Sec. 21. 23 V.S.A. § 4110 is amended to read:

§ 4110. APPLICATION FOR COMMERCIAL DRIVER'S LICENSE OR  
COMMERCIAL LEARNER'S PERMIT

(a) The application for a commercial driver's license or commercial learner's permit shall include the following:

\* \* \*

(8)(A) The applicable fee for the commercial driver's license being applied for. The four-year fee for a commercial driver's license shall be \$108.00. The two-year fee shall be \$72.00. The one-year fee for a nondomiciled commercial driver's license shall be \$40.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:

\* \* \*

\* \* \* Motorboat Validation Stickers \* \* \*

Sec. 22. 23 V.S.A. § 3305 is amended to read:

§ 3305. FEES

\* \* \*

(b)(1) Annually or biennially, the owner of each motorboat required to be registered by this State shall file an application for a number with the Commissioner of Motor Vehicles on forms approved by ~~him or her~~ the Commissioner.

(2) The application shall be signed by the owner of the motorboat and shall be accompanied by:

(A) an annual fee of \$31.00, or a biennial fee of \$57.00, for a motorboat in class A; ~~by~~

(B) an annual fee of \$49.00, or a biennial fee of \$93.00, for a motorboat in class 1; ~~by~~

(C) an annual fee of \$80.00, or a biennial fee of \$155.00, for a motorboat in class 2; ~~by~~ or

(D) an annual fee of \$153.00, or a biennial fee of \$303.00, for a motorboat in class 3.

(3)(A) Upon receipt of the application in approved form, the Commissioner shall enter the application upon the records of the Department of Motor Vehicles and issue to the applicant a registration certificate stating the number awarded to the motorboat and the name and address of the owner.

(B) The owner shall paint on or attach to each side of the bow of the motorboat the identification number in ~~such~~ the manner as may be prescribed by rules of the Commissioner in order that it may be clearly visible. Validation stickers shall be placed within six inches preceding the registration number on the port side of the motorboat and within six inches following the registration number on the starboard side of the motorboat.

(C) The registration shall be void one year from the first day of the month following the month of issue in the case of annual registrations or void two years from the first day of the month following the month of issue in the case of biennial registrations.

(D) A motorboat of less than 10 horsepower used as a tender to a registered motorboat shall be deemed registered, at no additional cost, and shall have painted or attached to both sides of the bow the same registration number as the registered motorboat with the number "1" after the number.

(E) The number shall be maintained in legible condition.

(F) The registration certificate shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever the motorboat is in operation.

(G) A duplicate registration may be obtained upon payment of a fee of \$3.00 to the Commissioner.

(H) Registration fees shall be allocated in accordance with section 3319 of this title.

(c) A ~~person engaged in the business of selling or exchanging~~ dealer in motorboats, as defined in subdivision 4(8) of this title, of a type otherwise required to be registered by this subchapter shall register and obtain registration certificates for use as described under subdivision (1) of this subsection, subject to the requirements of chapter 7 of this title. A manufacturer of motorboats may register and obtain registration certificates under this section.

(1) A dealer motorboat registration number may be used:

(A) for the purpose of testing or adjusting motorboats in the immediate vicinity of ~~his or her~~ the dealer's place of business;

\* \* \*

(C) for demonstration when the prospective purchaser is operating the motorboat and is not accompanied by the dealer or ~~his or her~~ the dealer's employee, but not for more than three days;

\* \* \*

(4) The Commissioner shall issue a registration certificate of number for each identifying number awarded to the dealer in the manner described in subsection ~~(a)~~(b) of this section, except that a motorboat shall not be described in the certificate. A dealer's registration certificate expires one year from the first day of the month of issuance.

(5) A dealer's identifying number shall be displayed as required by subsection ~~(a)~~(b) of this section except that the number may be temporarily attached.

\* \* \*

(d)(1) Registration of a motorboat ends when the owner transfers title to another. The former owner shall immediately return directly to the Commissioner the registration certificate previously assigned to the transferred motorboat with the date of sale and the name and residence of the new owner endorsed on the back of the certificate.

(2) When a person transfers the ownership of a registered motorboat to another, files a new application, and pays a fee of \$6.00, ~~he or she~~ the person may have registered in ~~his or her~~ the person's name another motorboat of the

same class for the remainder of the registration period without payment of any additional registration fee. However, if the fee for the registration of the motorboat sought to be registered is greater than the registration fee for the transferred motorboat, the applicant shall pay the difference between the fee first paid and the fee for the class of motorboat sought to be registered.

\* \* \*

(g) The owner shall notify the Commissioner of the transfer of any part of the owner's interest other than the creation of a security interest in a motorboat numbered in this State under subsections ~~(a) and (b)~~ and (c) of this section or of the destruction or abandonment of the motorboat, within 15 days after the transfer, destruction, or abandonment. The transfer, destruction, or abandonment shall end the certificate of number for the motorboat except that in the case of a transfer of a part interest that does not affect the owner's right to operate the motorboat, the transfer shall not end the certificate of number.

(h) Any holder of a registration certificate shall notify the Commissioner within 15 days if ~~his or her~~ the holder's address ceases to be the address appearing on the certificate and shall, as a part of the notification, furnish the Commissioner with ~~his or her~~ the holder's new address. The Commissioner may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

\* \* \*

\* \* \* Personal Flotation Devices \* \* \*

Sec. 23. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

\* \* \*

(b)(1) Personal flotation devices. Each vessel, except sailboards, shall, consistent with federal regulations, carry for each individual aboard at least one wearable U.S. Coast Guard-approved personal flotation device that is in good and serviceable condition and capable of being used in accordance with the U.S. Coast Guard approval label.

\* \* \*

(4) Cold weather.

(A) Except as otherwise provided pursuant to subdivision (B) of this subdivision (b)(4), on or before May 1 of each year and on or after November

1 of each year, all individuals aboard a vessel, while under way and the individual is on an open deck, shall wear a properly secured wearable U.S. Coast Guard-approved personal flotation device as intended by the manufacturer.

(B) The requirements of this subdivision (b)(4) shall not apply to an individual who is:

(i) aboard a vessel that is located in water that is not more than three feet deep; and

(ii) actively engaged in hunting or bow fishing and who holds a valid license issued under 10 V.S.A. part 4.

(5) Inspected commercial vessels. U.S. Coast Guard-inspected commercial vessels shall be exempt from the provisions of this subsection.

\* \* \*

\* \* \* Kei Vehicles \* \* \*

Sec. 24. 23 V.S.A. § 4 is amended to read:

#### § 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

\* \* \*

(28) “Pleasure car” ~~shall include~~ includes all motor vehicles not otherwise defined in this title and ~~shall include~~ includes plug-in electric vehicles, battery electric vehicles, or plug-in hybrid electric vehicles as defined pursuant to subdivision (85) of this section, and kei vehicles as defined pursuant to subdivision (90) of this section.

\* \* \*

(72) “Farm truck” means a motor truck or kei truck that, at the option of the owner, may be registered under the provisions of subsection 367(f) of this title or may be unregistered when used in accordance with subsection 370(b) of this title.

\* \* \*

(89) “Kei truck” means a kei vehicle that is designed, used, or maintained primarily for the transportation of property.

(90) “Kei vehicle” means a motor vehicle that has four wheels, an engine displacement of 660 cubic centimeters or less, an overall length of 130 inches or less, an overall height of 78 inches or less, and an overall width of 60 inches or less.

Sec. 25. 23 V.S.A. § 1044 is added to read:

§ 1044. OPERATION OF KEI VEHICLES

(a) A kei vehicle registered as a pleasure car shall be subject to all provisions of this title that are applicable to pleasure cars.

(b) A kei truck registered as a farm truck shall be subject to all provisions of this title that are applicable to farm trucks.

(c) The Traffic Committee and political subdivisions of this State shall not adopt any rules or ordinances that would have the effect of prohibiting:

(1) a kei vehicle that is registered as a pleasure car from being operated in the same manner and locations as other pleasure cars; and

(2) a kei truck that is registered as a farm truck from being operated in the same manner and locations as other farm trucks.

\* \* \* Inspection Manual \* \* \*

Sec. 26. INSPECTION MANUAL; AMENDMENT

(a)(1) The Department of Motor Vehicles shall amend the inspection manual to increase its focus on vehicle conditions that constitute genuine safety issues; eliminate outdated procedures; and provide clear, consistent guidance for both inspection mechanics and members of the public.

(2) It is the intent of the General Assembly that the amendments to the inspection manual adopted pursuant to this section shall ensure that:

(A) the inspection manual only requires failure of an inspection when, as determined by the Commissioner, the condition of a vehicle system or component constitutes an immediate safety risk; and

(B) a vehicle owner shall be advised of conditions of vehicle systems and components that do not constitute an immediate safety risk but may become a safety risk at some time in the future.

(3) In preparing the amendments to the inspection manual, the Department shall specifically determine whether amendments to the provisions relating to the following vehicle systems and components are necessary to comply with the legislative intent set forth in subdivision (2) of this subsection:

- (A) tires;
- (B) power steering;
- (C) suspension;
- (D) brake rotors;
- (E) lighting;
- (F) electrical systems and components;
- (G) windshield;
- (H) windows;
- (I) windshield wipers;
- (J) vehicle body; and
- (K) in the discretion of the Commissioner, any other vehicle systems or components.

(4) In preparing the amendments to the inspection manual, the Department shall determine whether any tests or procedures require amendment or elimination, including the on-highway road test for brakes and the headlamp aiming test.

(5) In preparing the amendments to the inspection manual, the Department shall provide additional visual guidance regarding when certain conditions warrant failure of an inspection.

(b) On or before August 1, 2026, the Department of Motor Vehicles shall:

(1) file with the Secretary of State pursuant to the provisions of 3 V.S.A. § 838 proposed amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) necessary to implement the provisions of this section; and

(2) adopt emergency rules pursuant to 3 V.S.A. § 844 to implement the provisions of this section while permanent rule amendments are pending, which shall be deemed to have met the standard for emergency rulemaking set forth in 3 V.S.A. § 844(a).

(c) The Commissioner of Motor Vehicles shall submit to the House and Senate Committees on Transportation the following reports regarding the rule amendments proposed pursuant to this section:

(1) Not more than five days after the Department files proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State pursuant to 3 V.S.A. § 838, the Commissioner shall

submit a summary of the proposed amendments and an annotated copy of the inspection manual that shows the proposed changes.

(2) Not more than five days after the Department files final proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841, the Commissioner shall submit a summary of the proposed amendments, an annotated copy of the inspection manual that shows the proposed changes, and a copy of the responsiveness summary, if any, that is submitted with the final proposed rules pursuant to 3 V.S.A. § 841(b)(2).

(3) Not more than five days after the Department files the adopted rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843, the Commissioner shall submit a brief written statement of the date on which the rule amendments were submitted pursuant to 3 V.S.A. § 843, the effective date of the rule amendments, and any changes to the final proposed rule that were approved by the Legislative Committee on Administrative Rules.

\* \* \* Limited-Use Specialty Vehicles \* \* \*

Sec. 27. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

\* \* \*

(91) “Limited-use specialty vehicle” means a motor vehicle that is:

(A) built by either:

(i) a manufacturer that manufactures not more than 325 vehicles per year for sale in the United States; or

(ii) an individual and not for resale;

(B) maintained solely for occasional transportation, including exhibitions, club activities, parades, tours, and other similar uses; and

(C) not used for daily transportation.

Sec. 28. 23 V.S.A. § 375 is added to read:

§ 375. LIMITED-USE SPECIALTY VEHICLES

(a) The Commissioner shall issue a certificate of registration for not more than 20 limited-use specialty vehicles per year.

(b) A vehicle that has been registered as a limited-use specialty vehicle shall not be permitted to be registered as any other type of vehicle.

(c) The annual fee for registration of a limited-use specialty vehicle shall be \$26.00.

(d) A vehicle registered under this section may be used on public highways:

(1) in exhibitions, club activities, parades, and other functions of public interest; and

(2) for occasional transportation of passengers or property, not to exceed one day per week.

Sec. 29. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

\* \* \*

(f) Notwithstanding the provisions of subsection (a) of this section, a limited-use specialty vehicle registered pursuant to section 375 of this title shall undergo a safety inspection each year but shall not be required to undergo a visual emissions inspection or OBD systems inspection.

\* \* \* License Plates \* \* \*

Sec. 30. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates.

(1) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. ~~Such~~ The number plates shall be furnished by the Commissioner and shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If only one number plate is furnished, the ~~same~~ plate shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle.

(2)(A) The number Number plates shall be kept entirely unobscured, and the numerals and letters thereon on the plates shall be plainly legible at all times.

(B) Numerals and letters on number plates shall not be colored, tinted, or changed in any manner from their appearance at the time the plate was issued.

(C) A person shall not cover or obscure any numerals or letters on a number plate with any material or substance.

(3) They Number plates shall be kept horizontal, shall be so fastened as not to swing, excepting, however, there may be installed on a motor truck or truck tractor a device that would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.

\* \* \*

(e) Temporary and in-transit registration plates. A motor vehicle issued a temporary or in-transit registration plate under sections 312, 458, 463, and 516–518 of this title operated on any highway shall have the temporary or in-transit registration plate displayed horizontally in a conspicuous place on the rear of the vehicle, including in the rear window. The temporary or in-transit registration plate shall be kept entirely unobscured, and the numerals and letters thereon shall be plainly legible at all times as provided pursuant to subsection (a) of this section.

\* \* \* Motorcycle Exhaust Requirements \* \* \*

Sec. 31. 23 V.S.A. § 1221 is amended to read:

§ 1221. CONDITION OF VEHICLE; EXCESSIVE NOISE

(a) A motor vehicle, operated on any highway, shall be in good mechanical condition and shall be properly equipped.

(b)(1) An individual shall not operate on a highway a motorcycle manufactured after December 31, 1985, that is not labeled in compliance with 40 C.F.R. § 205.158 and equipped with a muffler that meets the requirements of 40 C.F.R. § 205.169.

(2) The prohibition in subdivision (1) of this subsection shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or

skill at an authorized public exhibition held in accordance with applicable State or municipal law and land use permits.

(3) A motorcycle that does not meet the requirements of subdivision (1) of this subsection shall not pass an inspection required under section 1222 of this title.

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

#### Sec. 32. EFFECTIVE DATES

(a) Secs. 1 (nondriver identification cards), 3 (detained individuals' operator's licenses), and 5 (detained individuals' learner's permits) shall take effect on January 1, 2027.

(b) This section and the remaining sections of this act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

**Reported favorably by Senator Chittenden 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)

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

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

(Committee Vote: 6-0-1)

#### **Amendment to recommendation of amendment of the Committee on Transportation to S.326 to be offered by Senators Westman, Brennan, Harrison, Perchlik, and White**

Senators Westman, Brennan, Harrison, Perchlik, and White move to substitute an amendment for the committee report of the Committee on Transportation that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

\* \* \* Nondriver Identification Cards \* \* \*

Sec. 1. 23 V.S.A. § 115 is amended to read:

#### § 115. NONDRIVER IDENTIFICATION CARDS

(a)(1) Any Vermont resident who does not have an operator's license may

make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis.

\* \* \*

(4) An individual shall not hold at the same time an operator's license and a nondriver identification card issued pursuant to this section.

\* \* \*

(g)(1) An identification card issued to a first-time applicant and any subsequent renewals by that ~~person~~ individual shall contain a photograph or imaged likeness of the applicant.

(2) The photographic identification card shall be available at a location designated by the Commissioner.

~~(3)(A) An~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (g)(3), an individual issued an identification card under this subsection that contains an imaged likeness section may renew the individual's identification card by mail.

~~(B) Except that a renewal by an individual required to have a photograph or imaged likeness under this subsection must be made~~ An identification card issued pursuant to this section shall be renewed in person so that an updated imaged likeness of the individual is obtained not less often than at least once every nine years to permit an updated photograph or imaged likeness of the holder to be obtained.

\* \* \*

~~(k) At the option of the applicant,~~ An applicant shall surrender the applicant's valid Vermont license may be surrendered in connection with an application for an identification card pursuant to this section. In those instances, the fee due under subsection (a) of this section shall be reduced by:

\* \* \*

(m)(1) An individual who is sentenced to serve a period of imprisonment of six months or more committed to the custody of the Commissioner of Corrections in a correctional facility and who is eligible for a nondriver identification card under the requirements of this section shall, upon proper application and submission of the documentation required for a non-REAL ID

or REAL ID identification card and in advance of release from a correctional facility, be provided with a nondriver identification card for a fee of \$0.00.

(2) As part of reentry planning, the Department of Corrections shall inquire with the individual to be released about the individual's desire to obtain a nondriver identification card, operator's license, or any driving credential replacement learner's permit, if eligible, and inform the individual about the differences, including any costs to the individual.

(3) If the individual desires a nondriver identification card, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an identification card for the individual at the time of release.

(n)(1) If an individual who is detained for six months or more in a correctional facility is eligible for a nondriver identification card under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID nondriver identification card and shall provide the individual with the documentation at the time of release.

(2) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(3) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a nondriver identification card for a fee of \$0.00.

(4) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID nondriver identification card.

(o) The Commissioner shall provide a form that, upon the individual's execution, shall serve as a document of an anatomical gift under 18 V.S.A. chapter 110. An indicator shall be placed on the nondriver identification card of any individual who has executed an anatomical gift form in accordance with this section.

(p) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

\* \* \* Operator's Licenses \* \* \*

Sec. 2. 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

\* \* \*

(c)(1) An individual who is sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired license issued under the provisions of this subchapter or who held a Vermont operator's license that expired not more than three years prior shall:

(A) be eligible to apply for a replacement license pursuant to the provisions of this section; and

(B) upon proper application and submission of the documentation required for a non-REAL ID or REAL ID and in advance of release from a correctional facility, be provided with a replacement operator's license for a fee of \$0.00.

(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.

(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.

(4) If an individual would like to obtain an operator's license pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide an operator's license to the individual at the time the individual is released from the correctional facility.

Sec. 3. 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

\* \* \*

(d)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement license pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement license pursuant to this subsection, the individual:

(A) holds an unexpired license issued under the provisions of this subchapter; or

(B) held a Vermont operator's license that expired not more than

three years prior.

(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement operator's license under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a non-REAL ID or REAL ID operator's license and shall provide the individual with the documentation at the time of release.

(3) The application shall include the post-release mailing address of the individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement operator's license for a fee of \$0.00.

(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a non-REAL ID or REAL ID replacement operator's license.

(e) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

Sec. 4. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

\* \* \*

(d)(1) An applicant shall pay \$24.00 to the Commissioner for each learner's permit or a duplicate or renewal thereof.

\* \* \*

(4) A replacement learner's permit issued pursuant to subsection (g) of this section shall be issued for a fee of \$0.00.

\* \* \*

(g)(1) An individual sentenced to serve a period of imprisonment of six months or more in a correctional facility who holds an unexpired learner's permit issued under the provisions of this section or who held a learner's permit issued under the provisions of this section that expired not more than two years prior shall:

(A) be eligible to apply for a replacement learner's permit pursuant

to the provisions of this section; and

(B) upon proper application and submission of all required documentation in advance of release from a correctional facility, be provided with a replacement learner's permit upon release.

(2) The application shall include the post-release mailing address of the individual and proof that the individual will be a resident of Vermont following release from the correctional facility.

(3) As part of reentry planning, the Department of Corrections shall inquire with each individual regarding whether the individual would like to obtain a nondriver identification card, operator's license, or replacement learner's permit, if eligible, and shall provide the individual with information regarding required documentation and any associated costs.

(4) If an individual would like to obtain a replacement learner's permit pursuant to the provisions of this section and is eligible, the Department of Corrections shall coordinate with the Department of Motor Vehicles to provide a replacement learner's permit to the individual at the time the individual is released from the correctional facility.

Sec. 5. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

\* \* \*

(h)(1) An individual who is detained for six months or more in a correctional facility shall be eligible to apply for a replacement learner's permit pursuant to the provisions of this section if, at the time the individual submits an application to obtain a replacement learner's permit pursuant to this subsection, the individual:

(A) holds an unexpired learner's permit issued under the provisions of this section; or

(B) held a learner's permit issued under the provisions of this section that expired not more than two years prior.

(2) If an individual who is detained for six months or more in a correctional facility is eligible for a replacement learner's permit under the requirements of this section, the Department of Corrections, as soon as reasonably practicable, shall obtain the documentation required for a learner's permit and shall provide the individual with the documentation at the time of release from the correctional facility.

(3) The application shall include the post-release mailing address of the

individual and proof that the individual is a resident of Vermont following release from the correctional facility.

(4) Upon proper application and submission of all required documentation following release from the correctional facility, an individual who was detained for six months or more in a correctional facility shall be provided with a replacement learner's permit for a fee of \$0.00.

(5) The Department of Corrections shall coordinate with the Department of Motor Vehicles regarding the documentation required for an individual who is detained for six months or more in a correctional facility to obtain a replacement learner's permit.

(i) As used in this section, "correctional facility" has the same meaning as in 28 V.S.A. § 3.

Sec. 6. 28 V.S.A. § 102 is amended to read:

§ 102. COMMISSIONER OF CORRECTIONS; APPOINTMENT;  
POWERS; RESPONSIBILITIES

\* \* \*

(c) The Commissioner is charged with the following responsibilities:

\* \* \*

(25) To coordinate with the Department of Motor Vehicles to provide eligible individuals with nondriver identification cards and documentation pursuant to 23 V.S.A. § 115(m) and (n), replacement operator's licenses and documentation pursuant to 23 V.S.A. § 613(c) and (d), and replacement learner's permits and documentation pursuant to 23 V.S.A. § 617(g) and (h).

\* \* \* Insufficient Funds for Fees \* \* \*

Sec. 7. 23 V.S.A. § 110 is amended to read:

§ 110. ~~BAD CHECKS~~ INSUFFICIENT FUNDS RECEIVED FOR FEES

(a) Whenever any check or electronic funds transfer, including a credit or debit charge, issued in payment of any fee or for any other purpose is tendered to the Department of Motor Vehicles and payment is not honored by the bank on which the check is drawn or entity to which the electronic funds transfer is submitted, the Commissioner shall send a written notice of its nonpayment to the maker or person presenting the check and if the check is not immediately made good who provided insufficient funds and, if the required amounts are not promptly paid as required by the Commissioner, the Commissioner shall suspend the license or registration of the person or persons. In no case shall the license or registration be reinstated until settlement has been made in full.

Settlement in full shall also include the payment of any penalties assessed by the State Treasurer.

(b) The Commissioner may require payment for any transaction solely by certified check or in cash from persons whose licenses or registrations are under suspension pursuant to subsection (a) of this section or from persons who have repeatedly tendered checks or electronic payments to the Department that have not been honored ~~by the bank on which drawn~~.

\* \* \*

\* \* \* Penalties for Operation of Prohibited Vehicles in Smugglers' Notch \* \* \*

Sec. 8. 23 V.S.A. § 1006b is amended to read:

§ 1006b. SMUGGLERS' NOTCH; WINTER CLOSURE OF VERMONT  
ROUTE 108; VEHICLE OPERATION PROHIBITED

\* \* \*

(b) Vehicle operation prohibition.

\* \* \*

(2) The employer of an operator who is operating a vehicle in the scope of employment and violates this subsection or the operator of a vehicle who is operating a vehicle for personal purposes and violates this subsection shall be subject to a civil penalty of ~~\$1,000.00~~ \$10,000.00 or, if the violation results in substantially impeding the flow of traffic on Vermont Route 108, a civil penalty of ~~\$2,000.00~~ \$20,000.00. For a second or subsequent conviction within a three-year period, the applicable penalty shall be doubled.

\* \* \*

\* \* \* Salvage Titles \* \* \*

Sec. 9. 23 V.S.A. § 2091 is amended to read:

§ 2091. SALVAGE CERTIFICATES OF TITLE; FORWARDING OF  
PLATES AND TITLES OF CRUSHED VEHICLES

\* \* \*

(b)(1) Except as provided in subsection (c) of this section, the application shall be accompanied by:

(1)(A) any certificate of title for the vehicle; and

(2)(B) any other information or documents that the Commissioner may reasonably require to establish ownership of the vehicle and the existence or nonexistence of any security interest in the vehicle.

(2)(A) Supporting documents used to transfer ownership of a vehicle to an insurer following payment of damages:

(i) shall not require a notarized signature;

(ii) may be signed electronically; and

(iii) may be printed on hard copy.

(B) As used in this subdivision (b)(2):

(i) “Signed electronically” means that a person, with the intent to sign the record, uses an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person. For purposes of this subdivision (b)(2), an electronic signature on a supporting document shall utilize a secure authentication system that identifies the signatory with a degree of certainty equivalent to or greater than level 2 as described in the National Institute of Standards and Technology’s June 2017 Digital Identity Guidelines, NIST Special Publication 800-63-3, Revision 3.

(ii) “Supporting documents” include bills of sale, title documents, odometer disclosure forms, and powers of attorney.

(C) An insurer shall indemnify and hold harmless the Department for any claims arising from the issuance of a certificate of title pursuant to this section.

\* \* \*

\* \* \* Duplicate Titles \* \* \*

Sec. 10. 23 V.S.A. § 2022 is amended to read:

§ 2022. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

\* \* \*

Sec. 11. 23 V.S.A. § 3801 is amended to read:

§ 3801. DEFINITIONS

Except when the context otherwise requires, as used in this chapter:

\* \* \*

(20) "Title or certificate of title" means a written instrument or document that certifies ownership of a vessel, snowmobile, or all-terrain vehicle and is issued by the Commissioner or equivalent official of another jurisdiction.

\* \* \*

Sec. 12. 23 V.S.A. § 3815 is amended to read:

§ 3815. DUPLICATE CERTIFICATE

(a) If a certificate of title is lost, stolen, mutilated, or destroyed or becomes illegible, the first lienholder or, if none, the owner or legal representative of the owner named in the certificate of title, as shown by the records of the Commissioner, shall promptly make application for and may obtain a duplicate title upon furnishing information satisfactory to the Commissioner. ~~It~~ The duplicate title shall be mailed or, if the person is at a Department of Motor Vehicles location, hand delivered to the first lienholder named in ~~it~~ the title or, if none, to the owner.

\* \* \*

\* \* \* Title Appeals \* \* \*

Sec. 13. 23 V.S.A. § 2005 is amended to read:

§ 2005. APPEAL

A person aggrieved by an act or omission of the Commissioner under this chapter may appeal to the Civil Division of the Washington Unit of the Superior Court ~~for Washington County~~ in the same manner as is provided for in other civil actions.

\* \* \* Abandoned Motor Vehicles \* \* \*

Sec. 14. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

\* \* \*

(2) a vehicle;

(A) owned by a manufacturer or dealer and held for sale, even though incidentally moved on the highway or used for purposes of testing or demonstration, ~~or~~;

(B) used by an educational institution approved by the Agency of

Education for driver training purposes; or

(C) a vehicle used by a manufacturer solely for testing;

\* \* \*

Sec. 15. 23 V.S.A. § 2158 is amended to read:

§ 2158. FEES FOR TOWING; PUBLIC PROPERTY; FUNDING

(a)(1) A towing service may charge a fee of up to ~~\$125.00~~ \$250.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this subchapter.

(2) This fee shall be paid to:

(A) ~~the a~~ towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor ~~vehicles~~ vehicle under section 2156 of this title; or

(B) the Agency of Transportation if the Agency has a vehicle towed from a State right-of-way and submits proof acceptable to the Commissioner that the Agency has paid a towing service to tow the vehicle from the State right-of-way.

(3) The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management, who shall issue payment to the towing service or Agency of Transportation, as applicable, for vehicles removed from public property.

\* \* \*

\* \* \* Diesel Fuel Tax \* \* \*

Sec. 16. 23 V.S.A. § 3015 is amended to read:

§ 3015. COMPUTATION AND PAYMENT OF TAX

(a) Each report required under section 3014 of this title from licensed distributors, dealers, or users shall be accompanied by evidence of an electronic funds transfer payment or a remittance payable to the Department of Motor Vehicles for the amount of tax due, which shall be computed and transmitted in the following manner:

\* \* \*

~~(3)(A)~~(b)(1) Distributors and dealers filing a report required under subsection 3014(a) of this title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer.

~~(B)~~(2) Users filing a report required under subsection 3014(b) of this

title shall transmit payment of taxes due to the Department of Motor Vehicles by means of an electronic funds transfer payment or by a remittance through the U.S. mail. If a remittance is sent through the U.S. mail properly addressed to the Department of Motor Vehicles, it shall be deemed received on the date shown by the postmark on the envelope containing the report only for purposes of avoiding penalty and interest. In the event a mailing date is affixed to the envelope by a machine owned by or under the control of the person submitting the report and the U.S. Post Office has corrected or changed the date stamped thereon by causing the official U.S. Post Office postmark to also be imprinted on the envelope, the date shown by the official Post Office postmark shall be the accepted date if different from the original postmark.

(4)(c) All taxes, interest, user license fees, and penalties collected by the Department of Motor Vehicles under this chapter shall be paid immediately to the State Treasurer and credited to the Transportation Fund.

(5)(d) Notwithstanding ~~subdivision (4)~~ subsection (c) of this section, the one cent per gallon fee imposed by this chapter shall be deposited into the Petroleum Cleanup Fund established by 10 V.S.A. § 1941. These fees shall be deemed the petroleum distributor licensing fee established by 10 V.S.A. § 1942.

\* \* \* Operation of Snowmobiles \* \* \*

Sec. 17. 23 V.S.A. § 3207 is amended to read:

§ 3207. PENALTIES AND REVOCATION OR SUSPENSION OF  
REGISTRATION

\* \* \*

(c) A person who violates any of the following sections of this title shall be subject to a civil penalty of \$135.00 for each violation:

~~§ 3202 – operation of an unregistered snowmobile~~

\* \* \*

(g) A person who violates the provisions of section 3202 of this chapter shall be subject to a civil penalty of \$450.00 for a first offense and \$500.00 for a second or subsequent offense within a three-year period.

(h) The Commissioner or ~~his or her~~ the Commissioner's authorized agent may suspend or revoke the registration of any snowmobile registered in this State and repossess the number and certificate to it, when ~~he or she~~ the Commissioner is satisfied that:

\* \* \*

(h)(i) Civil penalties established under this section shall be mandatory and may shall not be reduced.

\* \* \* Commercial Driver's Licenses \* \* \*

Sec. 18. 23 V.S.A. § 4107 is amended to read:

§ 4107. COMMERCIAL DRIVER'S LICENSE REQUIRED

\* \* \*

(d)(1) Notwithstanding the provisions of this section, during an emergency declared by the Governor, an employee of a State agency or a Vermont municipality may operate a commercial motor vehicle with a weight of 26,001 or more pounds without being required to hold a commercial driver's license while the emergency or emergency condition is ongoing if:

(A) expressly permitted to do so pursuant to the terms of the Governor's declaration; and

(B) the individual is performing official duties or activities related to the execution of emergency governmental functions pursuant to 49 C.F.R. 383.3(d)(2).

(2) An individual operating a vehicle pursuant to the provisions of this subsection shall have a valid operator's license issued pursuant to chapter 9 of this title or the applicable laws of another state.

(3) As used in this subsection, "emergency" means a situation, condition, or event that involves significant imminent or ongoing risk to public health and safety, infrastructure, or property.

Sec. 19. 23 V.S.A. § 4110 is amended to read:

§ 4110. APPLICATION FOR COMMERCIAL DRIVER'S LICENSE OR  
COMMERCIAL LEARNER'S PERMIT

(a) The application for a commercial driver's license or commercial learner's permit shall include the following:

\* \* \*

(8)(A) The applicable fee for the commercial driver's license being applied for. The four-year fee for a commercial driver's license shall be \$108.00. The two-year fee shall be \$72.00. The one-year fee for a nondomiciled commercial driver's license shall be \$40.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:

\* \* \*

\* \* \* Motorboat Validation Stickers \* \* \*

Sec. 20. 23 V.S.A. § 3305 is amended to read:

§ 3305. FEES

\* \* \*

(b)(1) Annually or biennially, the owner of each motorboat required to be registered by this State shall file an application for a number with the Commissioner of Motor Vehicles on forms approved by ~~him or her~~ the Commissioner.

(2) The application shall be signed by the owner of the motorboat and shall be accompanied by:

(A) an annual fee of \$31.00, or a biennial fee of \$57.00, for a motorboat in class A; ~~by~~

(B) an annual fee of \$49.00, or a biennial fee of \$93.00, for a motorboat in class 1; ~~by~~

(C) an annual fee of \$80.00, or a biennial fee of \$155.00, for a motorboat in class 2; ~~by~~ or

(D) an annual fee of \$153.00, or a biennial fee of \$303.00, for a motorboat in class 3.

(3)(A) Upon receipt of the application in approved form, the Commissioner shall enter the application upon the records of the Department of Motor Vehicles and issue to the applicant a registration certificate stating the number awarded to the motorboat and the name and address of the owner.

(B) The owner shall paint on or attach to each side of the bow of the motorboat the identification number in ~~such~~ the manner as ~~may be~~ prescribed by rules of the Commissioner in order that it may be clearly visible. Validation stickers shall be placed within six inches preceding the registration number on the port side of the motorboat and within six inches following the registration number on the starboard side of the motorboat.

(C) The registration shall be void one year from the first day of the month following the month of issue in the case of annual registrations or void two years from the first day of the month following the month of issue in the case of biennial registrations.

(D) A motorboat of less than 10 horsepower used as a tender to a registered motorboat shall be deemed registered, at no additional cost, and shall have painted or attached to both sides of the bow the same registration number as the registered motorboat with the number "1" after the number.

(E) The number shall be maintained in legible condition.

(F) The registration certificate shall be pocket size and shall be available at all times for inspection on the motorboat for which issued, whenever the motorboat is in operation.

(G) A duplicate registration may be obtained upon payment of a fee of \$3.00 to the Commissioner.

(H) Registration fees shall be allocated in accordance with section 3319 of this title.

(c) A ~~person engaged in the business of selling or exchanging~~ dealer in motorboats, as defined in subdivision 4(8) of this title, of a type otherwise required to be registered by this subchapter shall register and obtain registration certificates for use as described under subdivision (1) of this subsection, subject to the requirements of chapter 7 of this title. A manufacturer of motorboats may register and obtain registration certificates under this section.

(1) A dealer motorboat registration number may be used:

(A) for the purpose of testing or adjusting motorboats in the immediate vicinity of ~~his or her~~ the dealer's place of business;

\* \* \*

(C) for demonstration when the prospective purchaser is operating the motorboat and is not accompanied by the dealer or ~~his or her~~ the dealer's employee, but not for more than three days;

\* \* \*

(4) The Commissioner shall issue a registration certificate of number for each identifying number awarded to the dealer in the manner described in subsection ~~(a)~~(b) of this section, except that a motorboat shall not be described in the certificate. A dealer's registration certificate expires one year from the first day of the month of issuance.

(5) A dealer's identifying number shall be displayed as required by subsection ~~(a)~~(b) of this section except that the number may be temporarily attached.

\* \* \*

(d)(1) Registration of a motorboat ends when the owner transfers title to another. The former owner shall immediately return directly to the Commissioner the registration certificate previously assigned to the transferred motorboat with the date of sale and the name and residence of the new owner

endorsed on the back of the certificate.

(2) When a person transfers the ownership of a registered motorboat to another, files a new application, and pays a fee of \$6.00, ~~he or she~~ the person may have registered in ~~his or her~~ the person's name another motorboat of the same class for the remainder of the registration period without payment of any additional registration fee. However, if the fee for the registration of the motorboat sought to be registered is greater than the registration fee for the transferred motorboat, the applicant shall pay the difference between the fee first paid and the fee for the class of motorboat sought to be registered.

\* \* \*

(g) The owner shall notify the Commissioner of the transfer of any part of the owner's interest other than the creation of a security interest in a motorboat numbered in this State under subsections ~~(a) and (b)~~ and (c) of this section or of the destruction or abandonment of the motorboat, within 15 days after the transfer, destruction, or abandonment. The transfer, destruction, or abandonment shall end the certificate of number for the motorboat except that in the case of a transfer of a part interest that does not affect the owner's right to operate the motorboat, the transfer shall not end the certificate of number.

(h) Any holder of a registration certificate shall notify the Commissioner within 15 days if ~~his or her~~ the holder's address ceases to be the address appearing on the certificate and shall, as a part of the notification, furnish the Commissioner with ~~his or her~~ the holder's new address. The Commissioner may provide by rule for the surrender of the certificate bearing the former address and its replacement with a certificate bearing the new address or for the alteration of an outstanding certificate to show the new address of the holder.

\* \* \*

\* \* \* Personal Flotation Devices \* \* \*

Sec. 21. 23 V.S.A. § 3306 is amended to read:

§ 3306. LIGHTS AND EQUIPMENT

\* \* \*

(b)(1) Personal flotation devices. Each vessel, except sailboards, shall, consistent with federal regulations, carry for each individual aboard at least one wearable U.S. Coast Guard-approved personal flotation device that is in good and serviceable condition and capable of being used in accordance with the U.S. Coast Guard approval label.

\* \* \*

(4) Cold weather.

(A) Except as otherwise provided pursuant to subdivision (B) of this subdivision (b)(4), on or before May 1 of each year and on or after November 1 of each year, all individuals aboard a vessel, while under way and the individual is on an open deck, shall wear a properly secured wearable U.S. Coast Guard-approved personal flotation device as intended by the manufacturer.

(B) The requirements of this subdivision (b)(4) shall not apply to an individual who is:

(i) aboard a vessel that is located in water that is not more than three feet deep; and

(ii) actively engaged in hunting or bow fishing and who holds a valid license issued under 10 V.S.A. part 4.

(5) Inspected commercial vessels. U.S. Coast Guard-inspected commercial vessels shall be exempt from the provisions of this subsection.

\* \* \*

\* \* \* Kei Vehicles \* \* \*

Sec. 22. 23 V.S.A. § 4 is amended to read:

§ 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

\* \* \*

(28) “Pleasure car” ~~shall include~~ includes all motor vehicles not otherwise defined in this title and ~~shall include~~ includes plug-in electric vehicles, battery electric vehicles, or plug-in hybrid electric vehicles as defined pursuant to subdivision (85) of this section, and kei vehicles as defined pursuant to subdivision (90) of this section.

\* \* \*

(72) “Farm truck” means a motor truck or kei truck that, at the option of the owner, may be registered under the provisions of subsection 367(f) of this title or may be unregistered when used in accordance with subsection 370(b) of this title.

\* \* \*

(89) “Kei truck” means a kei vehicle that is designed, used, or maintained primarily for the transportation of property.

(90) “Kei vehicle” means a motor vehicle that has four wheels, an engine displacement of 660 cubic centimeters or less, an overall length of 130 inches or less, an overall height of 78 inches or less, and an overall width of 60 inches or less.

Sec. 23. 23 V.S.A. § 1044 is added to read:

§ 1044. OPERATION OF KEI VEHICLES

(a) A kei vehicle registered as a pleasure car shall be subject to all provisions of this title that are applicable to pleasure cars.

(b) A kei truck registered as a farm truck shall be subject to all provisions of this title that are applicable to farm trucks.

(c) The Traffic Committee and political subdivisions of this State shall not adopt any rules or ordinances that would have the effect of prohibiting:

(1) a kei vehicle that is registered as a pleasure car from being operated in the same manner and locations as other pleasure cars; and

(2) a kei truck that is registered as a farm truck from being operated in the same manner and locations as other farm trucks.

\* \* \* Inspection Manual \* \* \*

Sec. 24. INSPECTION MANUAL; AMENDMENT

(a)(1) The Department of Motor Vehicles shall amend the inspection manual to increase its focus on vehicle conditions that constitute genuine safety issues; eliminate outdated procedures; and provide clear, consistent guidance for both inspection mechanics and members of the public.

(2) It is the intent of the General Assembly that the amendments to the inspection manual adopted pursuant to this section shall ensure that:

(A) the inspection manual only requires failure of an inspection when, as determined by the Commissioner, the condition of a vehicle system or component constitutes an immediate safety risk; and

(B) a vehicle owner shall be advised of conditions of vehicle systems and components that do not constitute an immediate safety risk but may become a safety risk at some time in the future.

(3) In preparing the amendments to the inspection manual, the Department shall specifically determine whether amendments to the provisions relating to the following vehicle systems and components are necessary to

comply with the legislative intent set forth in subdivision (2) of this subsection:

(A) tires;

(B) power steering;

(C) suspension;

(D) brake rotors;

(E) lighting;

(F) electrical systems and components;

(G) windshield;

(H) windows;

(I) windshield wipers;

(J) vehicle body; and

(K) in the discretion of the Commissioner, any other vehicle systems or components.

(4) In preparing the amendments to the inspection manual, the Department shall determine whether any tests or procedures require amendment or elimination, including the on-highway road test for brakes and the headlamp aiming test.

(5) In preparing the amendments to the inspection manual, the Department shall provide additional visual guidance regarding when certain conditions warrant failure of an inspection.

(b) On or before August 1, 2026, the Department of Motor Vehicles shall:

(1) file with the Secretary of State pursuant to the provisions of 3 V.S.A. § 838 proposed amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) necessary to implement the provisions of this section; and

(2) adopt emergency rules pursuant to 3 V.S.A. § 844 to implement the provisions of this section while permanent rule amendments are pending, which shall be deemed to have met the standard for emergency rulemaking set forth in 3 V.S.A. § 844(a).

(c) The Commissioner of Motor Vehicles shall submit to the House and Senate Committees on Transportation the following reports regarding the rule amendments proposed pursuant to this section:

(1) Not more than five days after the Department files proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with

the Secretary of State pursuant to 3 V.S.A. § 838, the Commissioner shall submit a summary of the proposed amendments and an annotated copy of the inspection manual that shows the proposed changes.

(2) Not more than five days after the Department files final proposed rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 841, the Commissioner shall submit a summary of the proposed amendments, an annotated copy of the inspection manual that shows the proposed changes, and a copy of the responsiveness summary, if any, that is submitted with the final proposed rules pursuant to 3 V.S.A. § 841(b)(2).

(3) Not more than five days after the Department files the adopted rule amendments to the Inspection of Motor Vehicles rules (CVR 14-050-022) with the Secretary of State and Legislative Committee on Administrative Rules pursuant to 3 V.S.A. § 843, the Commissioner shall submit a brief written statement of the date on which the rule amendments were submitted pursuant to 3 V.S.A. § 843, the effective date of the rule amendments, and any changes to the final proposed rule that were approved by the Legislative Committee on Administrative Rules.

\* \* \* Limited-Use Specialty Vehicles \* \* \*

Sec. 25. 23 V.S.A. § 4 is amended to read:

#### § 4. DEFINITIONS

Except as may otherwise be provided by law, and unless the context otherwise requires in statutes relating to motor vehicles and enforcement of the law regulating vehicles, as provided in this title and 20 V.S.A. part 5, the following definitions shall apply:

\* \* \*

(91) “Limited-use specialty vehicle” means a motor vehicle that is:

(A) built by either:

(i) a manufacturer that manufactures not more than 325 vehicles per year for sale in the United States; or

(ii) an individual and not for resale;

(B) maintained solely for occasional transportation, including exhibitions, club activities, parades, and other functions of public interest; and

(C) not used for daily transportation of passengers or property on any highway.

Sec. 26. 23 V.S.A. § 375 is added to read:

§ 375. LIMITED-USE SPECIALTY VEHICLES

(a) The Commissioner shall issue a certificate of registration for not more than 12 limited-use specialty vehicles per year.

(b) A vehicle that has been registered as a limited-use specialty vehicle shall not be permitted to be registered as any other type of vehicle.

(c) The annual fee for registration of a limited-use specialty vehicle shall be \$26.00.

(d) A vehicle registered under this section may be used on public highways:

(1) in exhibitions, club activities, parades, and other functions of public interest; and

(2) for occasional transportation of passengers or property, not to exceed one day per week.

Sec. 27. 23 V.S.A. § 1222 is amended to read:

§ 1222. INSPECTION OF REGISTERED VEHICLES

\* \* \*

(f) Notwithstanding the provisions of subsection (a) of this section, a limited-use specialty vehicle registered pursuant to section 375 of this title shall undergo a safety inspection each year but shall not be required to undergo a visual emissions inspection or OBD systems inspection.

\* \* \* License Plates \* \* \*

Sec. 28. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates.

(1) A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. ~~Such~~ The number plates shall be furnished by the Commissioner and shall show the number assigned to ~~such~~ the vehicle by the Commissioner. If only one number plate is furnished, the ~~same~~ plate shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle.

(2)(A) ~~The number~~ Number plates shall be kept entirely unobscured, and the numerals and letters ~~thereon~~ on the plates shall be plainly legible at all

times.

(B) Numerals and letters on number plates shall not be colored, tinted, or changed in any manner from their appearance at the time the plate was issued.

(C) A person shall not cover or obscure any numerals or letters on a number plate with any material or substance.

(3) They Number plates shall be kept horizontal, shall be so fastened as not to swing, excepting, however, there may be installed on a motor truck or truck tractor a device that would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.

\* \* \*

(e) Temporary and in-transit registration plates. A motor vehicle issued a temporary or in-transit registration plate under sections 312, 458, 463, and 516–518 of this title operated on any highway shall have the temporary or in-transit registration plate displayed horizontally in a conspicuous place on the rear of the vehicle, including in the rear window. The temporary or in-transit registration plate shall be kept entirely unobscured, and the numerals and letters thereon shall be plainly legible at all times as provided pursuant to subsection (a) of this section.

\* \* \* Motorcycle Exhaust Requirements \* \* \*

Sec. 29. 23 V.S.A. § 1221 is amended to read:

§ 1221. CONDITION OF VEHICLE; EXCESSIVE NOISE

(a) A motor vehicle, operated on any highway, shall be in good mechanical condition and shall be properly equipped.

(b)(1) An individual shall not operate on a highway a motorcycle manufactured after December 31, 1985, that is not labeled in compliance with 40 C.F.R. § 205.158 and equipped with a muffler that meets the requirements of 40 C.F.R. § 205.169.

(2) The prohibition in subdivision (1) of this subsection shall not apply when a motorcycle is operated in a race, contest, or demonstration of speed or skill at an authorized public exhibition held in accordance with applicable State or municipal law and land use permits.

(3) A motorcycle that does not meet the requirements of subdivision (1) of this subsection shall not pass an inspection required under section 1222 of this title.

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

Sec. 30. EFFECTIVE DATES

(a) Secs. 1 (nondriver identification cards), 3 (detained individuals' operator's licenses), and 5 (detained individuals' learner's permits) shall take effect on January 1, 2027.

(b) This section and the remaining sections of this act shall take effect on July 1, 2026.

**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)

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

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs, with the following amendment thereto in Sec. 2, 32 V.S.A. chapter 151, subchapter 11J, in section 5930ee, in subdivision (1), by striking out “\$4,000,000.00” and inserting in lieu thereof “\$3,500,000.00”

(Committee vote: 6-0-1)

**Second Reading**

**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)

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

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

(Committee Vote: 7-0-0)

### S. 232.

An act relating to public libraries and the Department of Libraries.

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

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

\* \* \* Findings \* \* \*

### Sec. 1. FINDINGS

The General Assembly finds:

(1) The State of Vermont and its communities depend on libraries as centers for learning, social connection, technological access, disaster preparedness and response, support of health care and social services, and numerous other vital services.

(2) As places of public accommodation, public libraries are obligated to ensure that their services, facilities, and resources are inclusive and accessible

to all. However, many of Vermont's existing library facilities require improvements in order to fulfill this obligation and meet programming needs.

(3) Early literacy is integral to student preparedness and success. Vermont's Department of Libraries and statewide network of public libraries are uniquely suited to play a critical role in improving the literacy skills of students throughout the State.

(4) It is essential that the State raise awareness about public libraries and their offerings in order to ensure their continued beneficial impact and continued accessibility for all Vermont residents.

\* \* \* Vermont Libraries Day \* \* \*

Sec. 2. 1 V.S.A. § 379 is added to read:

§ 379. VERMONT LIBRARIES DAY

The third Monday in the month of October is designated as "Vermont Libraries Day."

\* \* \* Afterschool, Summer Reading, and Early Education Funding for Public Libraries \* \* \*

Sec. 3. 16 V.S.A. § 51 is amended to read:

§ 51. UNIVERSAL AFTERSCHOOL AND SUMMER SPECIAL FUND

(a) ~~The Universal Afterschool and Summer Special Fund is created, to be managed by the Agency of Education.~~ The cannabis sales tax revenue shall be deposited into the Universal Afterschool and Summer Special Fund. The Fund shall be used as follows:

(1) To establish a grant ~~program~~ programs managed by the Agency of Education and the Department of Libraries that ~~supports~~ support the expansion of universal afterschool and summer programs with a focus on underserved areas of the State.

(2) ~~Cannabis~~ Ninety-five percent of the cannabis sales tax revenue deposited in the Fund shall be used by the Agency of Education to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(2) Five percent of the cannabis sales tax revenue deposited in the Fund shall be used by the Department of Libraries to support afterschool and summer programming at libraries.

(3) The Agency and Department programs shall be subject to the following:

(A) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(B) Funds may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(C) The award of grants and any subsequent contract or written agreement issued pursuant to the award of a grant shall require that a grantee does not discriminate, and prohibits its employees, agents, subcontractors, and other service providers from discriminating, on the basis of race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability.

(D) The Agency may use up to \$500,000.00 annually for administrative costs to allow for the support of the grant program and technical assistance to communities. This ~~could~~ may include subcontracts to support the grant program.

(b) An advisory committee is created to support the Secretary in administering the funds. The Agency shall provide administrative and technical support to the advisory committee. The advisory committee shall be composed of:

\* \* \*

(7) the Vermont Afterschool Executive Director or designee; ~~and~~

(8) a representative from the Governor's office; and

(9) the State Librarian or designee.

\* \* \*

Sec. 4. 16 V.S.A. § 4014 is amended to read:

§ 4014. EARLY EDUCATION

(a) The Secretary may grant funds for voluntary early education programs. The funds may be used for personnel costs, training of parents and staff, materials and educational equipment, and other costs related to early education programs, including training for public library staff.

(b) The Secretary shall solicit proposals for early education programs from community organizations serving young children. Community organizations include school districts; public libraries; other public agencies, including Head Start programs; and private agencies, including child care programs and parent-child centers.

\* \* \*

\* \* \* Department of Libraries; Duties \* \* \*

Sec. 5. 22 V.S.A. § 605 is amended to read:

§ 605. DUTIES AND FUNCTIONS OF THE DEPARTMENT OF LIBRARIES

The duties and functions of the Department of Libraries shall be to provide, administer, and maintain:

\* \* \*

(2) A digital or physical collection of federal documents.

(3) An information and reference service to State government, including a comprehensive digital or physical collection of current information relating to matters of public policy and topics pertinent to State government.

(4) A general library collection of a sufficient size and scope to reinforce and supplement the resources of local and regional libraries. ~~All materials of the Department of Libraries~~ The collection may be composed of digital and physical materials and shall be available for free circulation to all citizens, institutions, and organizations under procedures adopted by the State Librarian except that the State Librarian may restrict rare or reference-type materials to one location. The Department shall arrange, classify, and catalog all materials in its custody and provide for their safekeeping and shall rebind books as needed. The Department shall provide service materials to other libraries in the State, schools, and individuals and may provide service by mail or book wagon or otherwise through interlibrary loan and shall encourage the sharing of library materials between libraries in Vermont and nationally through interlibrary loan.

(5) A service of advice and consultation to all libraries in the State, in order to assist them in realizing their potential. ~~This service shall be provided at a regional level as well as at the State level.~~ The Department may provide centralized cataloging and other related technical services to libraries in the State to the extent feasible.

\* \* \*

Sec. 6. 22 V.S.A. § 143 is amended to read:

§ 143. TRUSTEES

(a) Unless a municipality that has established or shall establish a public library votes at its annual meeting to elect a board of trustees, the governing body of the municipality shall appoint the trustees. The appointment or election of the trustees shall continue in effect until changed at an annual

meeting of the municipality. When trustees are first chosen, they shall be elected or appointed for staggered terms. This subsection shall not be construed to apply to public libraries that are privately established, chartered, or incorporated pursuant to subchapter 2 of this chapter.

\* \* \*

\* \* \* Municipal Bonds; Improvements to Public Libraries \* \* \*

Sec. 7. 24 V.S.A. § 1752a is amended to read:

§ 1752a. PUBLIC LIBRARIES; PRIVATELY OWNED MUNICIPALITY-SUPPORTED LIBRARIES

By a majority vote of those present and voting at an annual or special meeting warned for the purpose, a municipality may issue municipal bonds under this chapter for the cost of capital improvements to any public library, as defined in 22 V.S.A. § 101, including any privately owned municipality-supported library situated within the municipality for use of residents of the municipality; and such the improvements shall be considered “improvements” for the purposes of this chapter.

\* \* \* Repeal \* \* \*

Sec. 8. REPEAL

22 V.S.A. § 608 (Audio-Visual Revolving Fund) is repealed.

\* \* \* Effective Date \* \* \*

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 6-0-0)

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

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

(Committee vote: 7-0-0)

### CONFIRMATIONS

The following appointments will be considered by the Senate, as a group, under suspension of the Rules, as moved by the President *pro tempore*, for confirmation together and without debate, by consent thereby given by the Senate. However, upon request of any senator, any appointment may be singled out and acted upon separately by the Senate, with consideration given to the report of the Committee to which the appointment was referred, and

with full debate; and further, all appointments for the positions of Secretaries of Agencies, Commissioners of Departments, Judges, Magistrates, and members of the Public Utility Commission 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)

### **NOTICE OF JOINT ASSEMBLY**

**March 25, 2026 - 10:30 A.M.** - House Chamber - Retention of six Superior Court Judges.

### **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]*

**JFO #3274:** \$50,000.00 to the Vermont Secretary of State's office from the Vermont Community Foundation. Funds are for the Local Civic Journalism program to support the State of Vermont Local Journalism Awards. This award expands the Local Journalism grants in the FY26 Secretary of State's budget.

*[Received March 16, 2026]*

**JFO #3275:** \$250,000.00 to the Vermont Police Academy, Criminal Justice Training Council from the U.S. Department of Justice, Office of Community Oriented Policing Services. Funds to support curriculum development of de-escalation of volatile and high-risk situations.

*[Received March 16, 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).**