

Senate Calendar

THURSDAY, MARCH 19, 2026

SENATE CONVENES AT: 11:00 A.M.

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ACTION CALENDAR

UNFINISHED BUSINESS OF WEDNESDAY, MARCH 18, 2026

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)

NEW BUSINESS

Third Reading

S. 138.

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

S. 181.

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

S. 206.

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

S. 219.

An act relating to an energy navigator program report.

S. 239.

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

S. 291.

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

**Committee Bill for Second Reading
Favorable with Recommendation of Amendment**

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~~ 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 a recommendation of amendment for the recommendation of amendment of the Committee on Transportation 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 ~~vehieles~~ 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.

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)

Amendment to the recommendation of amendment of the Committee on Government Operations to S. 89 to be offered by Senator Vyhovsky

Senator Vyhovsky moves to amend the recommendation of amendment of the Committee on Government Operations as follows:

First: In Sec. 1, 20 V.S.A. § 3171, by striking out subdivision (3)(E) in its entirety and inserting in lieu thereof a new subdivision (3)(E) to read as follows:

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

Second: In Sec. 1, 20 V.S.A. § 3171, by striking out subdivision (3)(F) in its entirety and inserting in lieu thereof a new subdivision (3)(F) to read as follows:

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

NOTICE CALENDAR

Committee Bill for Second Reading

Favorable with Recommendation of Amendment

S. 327.

An act relating to economic development.

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

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

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

Sec. 1. PURPOSE

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

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

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

* * *

§ 5930ee. LIMITATIONS

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

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

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

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

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

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

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

* * *

Sec. 3. EXPANDING SERVICES FOR SMALL BUSINESSES

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

- (1) individual and group educational trainings and consultations;
- (2) an ongoing webinar series on legal basics for startups; and
- (3) an attorney referral program.

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

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

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

Sec. 4. VERMONT OUTDOOR RECREATION ECONOMIC COLLABORATIVE

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

Sec. 5. INTERNATIONAL BUSINESS OFFICE; APPROPRIATION

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

Sec. 6. BROWNFIELDS ALLOCATION

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

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

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

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

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

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

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

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

- (6) identify what resources are available to businesses to access capital;
- (7) determine the state of capital access opportunities, including the:
 - (A) investment environment in Vermont and the New England region;
 - (B) availability of tax credits to leverage private capital; and
 - (C) requirements to maintain Vermont's Tech Hub designation; and
- (8) identify investor education opportunities for high net worth individuals interested in investing in Vermont businesses.

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

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

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

* * *

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

- (1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;
- (2) one current member of the Senate, who shall be appointed by the Committee on Committees;
- (3) the Commissioner of the Department of Economic Development or designee;
- (4) the President of the Vermont Chamber of Commerce or designee;
- (5) the Chief Executive Officer of the Lake Champlain Chamber of Commerce or designee;
- (6) the President of the Vermont Regional Development Corporations or designee; ~~and~~
- (7) the Chair of the Vermont Association of Planning and Development Agencies or designee; and
- (8) the President of the University of Vermont or designee.

* * *

(f) Meetings.

* * *

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

(g) Reimbursement.

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

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

* * *

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

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

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

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

Sec. 10. CULINARY INSTITUTE; STUDY; REPORT

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

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

following:

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

(c) Stakeholders. The Office shall consult and convene with stakeholders to assist in its work pursuant to subsection (b) of this section that have relevant experience in the food and hospitality sectors, including representation from the State Workforce Development Board, Department of Labor, Department of Corrections, State Refugee Office, Vermont Association of Career and Technical Directors, Vermont Chamber of Commerce, Vermont Independent Restaurants, University of Vermont, Vermont State Colleges System, Vermont Sustainable Jobs Fund, and Vermont Employee Ownership Center.

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

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

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

- (1) in regard to Vermont Route 22A:
 - (A) the current and projected usage and condition of the road;
 - (B) the rate and severity of accidents on the road; and

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

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

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

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

(c) Report. On or before January 15, 2027, the Vermont Association of Planning and Development Agencies shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 12. EFFECTIVE DATES

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

(Committee vote: 5-0-0)

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)

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

The Committee recommends that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs and Finance, with the following amendments:

First: By striking out Sec. 2, 32 V.S.A. chapter 151, subchapter 11J, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec 2. [Deleted.]

Second: By striking out Sec. 3, expanding services for small businesses, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec 3. [Deleted.]

Third: By striking out Sec. 4, Vermont Outdoor Recreation Economic Collaborative, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec 4. [Deleted.]

Fourth: By striking out Sec. 5, International Business Office; appropriation, in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

Sec 5. [Deleted.]

Fifth: By striking out Sec. 6, brownfields allocation, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec 6. [Deleted.]

Sixth: By striking out Sec. 8, task force to explore development of convention center and performance venue, in its entirety and inserting in lieu thereof a new Sec. 8 to read as follows:

Sec 8. [Deleted.]

Seventh: By striking out Sec. 12, effective dates, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 7-0-0)

S. 328.

An act relating to housing and common interest communities.

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:

* * * Municipal Plans * * *

Sec. 1. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:

* * *

(10) A housing element that shall include a recommended program for public and private actions to address housing needs and targets as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The housing element shall also include an analysis of any regulatory and physical constraints preventing the development, redevelopment, or rehabilitation of sufficient housing to meet the housing needs and targets, and a description of what actions the municipality may take to accommodate the projected housing needs. The program shall use data on year-round and seasonal dwellings and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted residential development as described in section 4412 of this title. Progress toward the construction of the housing units identified as needed to meet projected housing targets shall be documented within the housing element and updated as appropriate when the plan is amended or readopted according to section 4385 or 4387 of this title, as the case may be.

* * *

* * * Tax Credits * * *

Sec. 2. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

* * *

(b) Eligible tax credit allocations.

* * *

(3)(A) The Vermont Housing Finance Agency shall have the authority to allocate affordable housing tax credits to finance down payment assistance loans that meet the following requirements:

(i) the loan is made in connection with a mortgage through an Agency program;

(ii) the borrower is a first-time home buyer of an owner-occupied primary residence; and

(iii) the borrower uses the loan for the borrower's down payment or closing costs, or both.

(B) The Agency shall require the borrower to repay the loan upon the transfer or refinance of the residence.

(C) The Agency shall use the proceeds of loans made under the Program for future down payment assistance.

(D) The Agency may reserve funding and adopt guidelines to provide grants to first-time homebuyers who are also first-generation homebuyers.

* * *

(h) Credit allocation; Down Payment Assistance Program.

(1) In fiscal year 2016 through fiscal year 2019, the allocating agency may award up to \$125,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(2) of this section.

(2) In fiscal year 2020 through fiscal year 2026, the allocating agency may award up to \$250,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(3) of this section.

(3) In fiscal year 2027 through fiscal year 2031, the allocating agency may award up to \$350,000.00 in total first-year credit allocations for loans through the Down Payment Assistance Program created in subdivision (b)(3) of this section.

* * * Vermont State Treasurer Credit Facility * * *

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

§ 10. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL INVESTMENTS

(a) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, the Vermont State Treasurer shall have the authority to establish a credit facility of up to ~~40~~ 12.5 percent of the State's average cash balance on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433~~(b)-(e)~~ (b) and (c) and the Uniform Prudent Investor Act, 14A V.S.A. chapter 9.

* * *

(c) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary, and in addition to the provisions of subsection (a) ~~on~~ of this section, the Vermont State Treasurer shall have the authority to establish a credit facility of up to two and one-half percent of the State's average cash balance on terms acceptable to the Treasurer and consistent with prudent investment principles and guidelines pursuant to 32 V.S.A. § 433~~(b)-(e)~~ (b) and (c) and the Uniform Prudent Investor Act, 14A V.S.A. chapter 9. The Treasurer may use amounts available under this subsection only to provide financing for climate infrastructure and resilience projects and may modify the terms of such financing in the Treasurer's discretion as is necessary to protect the ~~interest~~ interests of the State.

(d)(1) Annually, on or before November 15, the Treasurer shall submit a report detailing the activities, financing, and accounting of any credit facilities created pursuant to subsection (c) of this section during the preceding calendar year to the Governor; the House Committees on Appropriations, on Commerce and Economic Development, and on Ways and Means; and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance.

(2) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

* * * Common Interest Communities * * *

Sec. 4. COMMON INTEREST COMMUNITY REPORT

(a) On or before November 15, 2026, the Office of Legislative Counsel shall provide a written report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs outlining any legal issues related to requiring common interest communities to:

(1) authorize leasing of residential units;

(2) authorize commercial purposes within a dwelling unit;

(3) permit the construction of accessory dwelling units on land reserved for the exclusive use of a unit owner; and

(4) allow the installation of electric vehicle supply equipment on land reserved for the exclusive use of a unit owner.

(b) In developing the report, the Office shall work with and identify external partners with knowledge and expertise in common interest communities across the State.

* * * Vermont Economic Development Authority * * *

Sec. 5. 10 V.S.A. § 212 is amended to read:

§ 212. DEFINITIONS

As used in this chapter:

* * *

(6) “Eligible facility” or “eligible project” means any industrial, commercial, or agricultural enterprise or endeavor approved by the Authority used in a trade or business whether or not such business is operated for profit, including land and rights in land, air, or water; buildings; structures; machinery; and equipment of such eligible facilities or eligible projects, except that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to the sale of goods at retail where such goods are manufactured primarily out of State, and except further that an eligible facility or project shall not include the portion of an enterprise or endeavor relating to housing unless otherwise authorized in this chapter. Such enterprises or endeavors may include:

* * *

(U) After consultation with, and with deference to, the Vermont Housing Finance Agency on applications that are eligible for financing from both the Authority and the Agency, multiunit housing developments of five or more units when requested by, and jointly financed with, a financing lender, except that the Authority shall not finance housing developments that utilize funding issued by the Agency.

* * *

* * * Service-Supported Housing * * *

Sec. 6. 3 V.S.A. § 3098 is added to read:

§ 3098. SERVICE-SUPPORTED HOUSING ADVISORY COUNCIL

(a) The Service-Supported Housing Advisory Council is created for the purpose of identifying opportunities for increased alignment between human services programs and policies serving individuals who receive Medicaid-funded Developmental Disability Services and housing capital and support services programs.

(b) The Advisory Council shall be overseen by the Department of Disabilities, Aging, and Independent Living and shall be composed of the following individuals:

(1) one member, appointed by the Vermont Housing and Conservation Board;

(2) the Secretary of Human Services or designee;

(3) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(4) the State Treasurer or designee;

(5) the Commissioner of Housing and Community Development or designee;

(6) two members, appointed by the Developmental Disabilities Housing Initiative;

(7) the Executive Director of the Vermont Developmental Disabilities Council or designee;

(8) two members, appointed by Green Mountain Self-Advocates; and

(9) one member, appointed by Vermont Care Partners.

(c)(1) The Advisory Council shall meet at least monthly.

(2) The Commissioner of Disabilities, Aging, and Independent Living shall convene the first meeting of the Advisory Council, during which the Advisory Council shall elect a chair from among its members.

(d) The Advisory Council shall report annually on or before November 15 to the House Committees on General and Housing and on Human Services and the Senate Committees on Economic Development, Housing and General Affairs and on Health and Welfare regarding:

(1) administrative and programmatic reforms carried out to better align support-services and housing development programs and policies, including examples of projects or progress enabled by those changes;

(2) a housing needs assessment for individuals served by the Developmental Disabilities Services System of Care, including a summary of

the number of units and an overview of the types of housing needed to support this population;

(3) activities undertaken pursuant to this section; and

(4) recommendations for future legislative action, including actionable recommendations for changes in State laws or policies that are obstacles to the creation of housing needed by individuals with Medicaid-funded home- and community-based services.

(e) The Advisory Council shall have the administrative, technical, and legal assistance of the Department of Disabilities, Aging, and Independent Living.

(f) Members of the Advisory Council who are not otherwise compensated for their time shall be entitled to per diem compensation as permitted under 32 V.S.A. § 1010 for not more than 12 meetings per year.

* * * Municipal Zoning * * *

Sec. 7. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

(1) Equal treatment of housing and required provisions for affordable housing.

* * *

(B) Except as provided in subdivisions 4414(1)(E) and (F) of this title, no bylaw shall have the effect of excluding mobile homes, modular housing, manufactured housing, or prefabricated housing from any district that allows year-round residential development in the municipality, except upon the same terms and conditions as conventional housing is excluded. A municipality may establish specific site standards in the bylaws to regulate individual sites within preexisting mobile home parks with regard to distances between structures and other standards as necessary to ensure public health, safety, and welfare, provided the standards do not have the effect of prohibiting the replacement of mobile homes on existing lots.

* * *

(D) Bylaws shall designate appropriate districts and reasonable regulations for multiunit or multifamily dwellings. No bylaw shall have the effect of excluding these multiunit or multifamily dwellings from the municipality. In any district that allows year-round residential development,

duplexes shall be ~~an allowed~~ a permitted use with dimensional standards that are not more restrictive than is required for a single-unit dwelling, including no additional land or lot area than would be required for a single-unit dwelling. In any district that is served by municipal sewer and water infrastructure that allows residential development, multiunit dwellings with four or fewer units shall be a permitted use on the same size lot as a single-unit dwelling, ~~unless that district specifically requires multiunit structures to have more than four dwelling units.~~

* * *

Sec. 8. 24 V.S.A. § 4303 is amended to read:

§ 4303. DEFINITIONS

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

* * *

(42)(A) An area “served by municipal sewer and water infrastructure” means:

(i) an area where residential connections and expansions are available to a parcel or a portion of a parcel within 2,000 feet of municipal water and direct and indirect discharge wastewater systems and not prohibited by:

- (I) State regulations or permits;
- (II) identified capacity constraints; or
- (III) municipally adopted service and capacity agreements; or

(ii) an area established by the municipality by ordinance or bylaw where residential connections and expansions are available to municipal water and direct and indirect discharge wastewater systems and which may exclude:

(I) flood hazard or inundation areas as established by statute, river corridors or fluvial erosion areas as established by statute, shorelands, areas within a zoning district or overlay district the purpose of which is natural resource protection, and wherever year-round residential development is not allowed;

(II) areas with identified service limits established by State regulations or permits, identified capacity constraints, or municipally adopted service and capacity agreements;

(III) areas served by sewer and water to address an identified community-scale public health hazard or environmental hazard;

(IV) areas serving a mobile home park that is not within an area planned for year-round residential growth;

(V) areas serving an industrial site or park;

(VI) areas where service lines are located to serve the areas described in subdivisions (III)–(V) of this subdivision (ii), but no connections or expansions are permitted; or

(VII) areas that, through an approved Planned Unit Development under section 4417 of this title or Transfer of Development Rights under section 4423 of this title, prohibit year-round residential development.

(B) Municipally adopted areas served by municipal sewer and water infrastructure that limit sewer and water connections and expansions shall not result in the unequal treatment of housing by discriminating against a year-round residential use or housing type otherwise allowed in this chapter.

* * * State Community Investment Program * * *

Sec. 9. 24 V.S.A. § 5803 is amended to read:

§ 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

* * *

(f) Benefits Steps. A center may receive the benefits associated with the steps in this section by meeting the established requirements. The Department shall review applications from municipalities to advance from Step One to Two and from Step Two to Three and issue written decisions. The Department shall issue a written administrative decision within 30 days following an application. If a municipal application is rejected by the Department, the municipality may appeal the administrative decision to the State Board. To maintain a downtown approved under chapter 76A after December 31, 2026, the municipality shall apply for renewal following a regional planning approval by the LURB and meet the program requirements. Step Three designations that are not approved for renewal revert to Step Two. The municipality may appeal the administrative decision of the Department to the State Board. Appeals of administrative decisions shall be heard by the State Board at the next meeting following a timely filing stating the reasons for the appeal. The State Board's decision is final. The Department shall issue guidance to administer these steps.

* * *

(2) Step Two.

(A) Requirements. Step Two is established to create a mid-level designation for villages throughout the State to increase planning and implementation capacity for community-scale projects. A center reaches Step Two if it:

* * *

(iv) a portion of the center is listed or eligible for listing in the National Register of Historic Places, unless recognized by the program as a preexisting designated new town center.

* * *

(3) Step Three.

(A) Requirements. Step Three is established to create an advanced designation for downtowns throughout the State to create mixed-use centers and join the Vermont Downtown Program. A center reaches Step Three if the Department finds that it meets the following requirements:

* * *

(ii) Is a portion of the center is listed or eligible for listing in the National Register of Historic Places, unless recognized by the program as a preexisting designated new town center.

* * *

* * * Positions * * *

Sec. 10. POSITIONS

The following positions are created in the Department of Housing and Community Development:

(1) two full-time, classified Grants Management Specialist Housing and Community Development positions; and

(2) one full-time, exempt position to increase capacity to administer programs, including municipal planning grants, Homes for All developer trainings, 802 Homes Initiative, and Housing Data analysis and reporting.

* * * Appropriations * * *

Sec. 11. APPROPRIATIONS

The following shall be appropriated from the General Fund in fiscal year 2027:

(1) The sum of \$250,000.00 to the Municipal and Regional Planning and Resilience Fund to increase available municipal planning grants for municipalities seeking to meet the housing targets established pursuant to 2024 Acts and Resolves No. 181.

(2) The sum of \$5,000,000.00 to the Department of Housing and Community Development's base budget for the purpose of funding the Vermont Rental Housing Improvement Program (VHIP).

* * * Effective Date * * *

Sec. 12. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

Reported favorably by Senator Brock for the Committee on Finance.

The Committee recommends that the bill ought to pass when amended as recommended by the Committee on Economic Development, Housing and General Affairs.

(Committee vote: 7-0-0)

Second Reading

Favorable with Recommendation of Amendment

S. 154.

An act relating to health insurance coverage for biomarker testing.

Reported favorably with recommendation of amendment by Senator Cummings 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. HEALTH INSURANCE AND MEDICAID COVERAGE FOR BIOMARKER TESTING; DEPARTMENT OF FINANCIAL REGULATION; AGENCY OF HUMAN SERVICES; REPORTS

(a) As used in this section:

(1) "Biomarker" means a characteristic that is objectively measured and evaluated as an indicator of normal biological processes, pathogenic processes, or pharmacologic responses to a specific therapeutic intervention, including known gene-drug interactions for medications being considered for use or already being administered. Biomarkers include gene mutations, characteristics of genes, and protein expression.

(2) “Biomarker testing” means the analysis of a patient’s tissue, blood, or other biospecimen for the presence of a biomarker. Biomarker testing includes single-analyte tests; multiplex panel tests; protein expression analysis; and whole exome, whole genome, and whole transcriptome sequencing.

(3) “Consensus statements” means statements developed by an independent, multidisciplinary panel of experts utilizing a transparent methodology and reporting structure and with a conflict of interest policy. These statements are aimed at specific clinical circumstances and the statements are based on the best available evidence for the purpose of optimizing the outcomes of clinical care.

(4) “Nationally recognized clinical practice guidelines” means evidence-based clinical practice guidelines developed by independent organizations or medical professional societies utilizing a transparent methodology and reporting structure and with a conflict of interest policy. Clinical practice guidelines establish standards of care informed by a systematic review of evidence and an assessment of the benefits and risks of alternative care options and include recommendations intended to optimize patient care.

(b) The Department of Financial Regulation and Agency of Human Services shall analyze the costs associated with requiring health insurance coverage and Medicaid coverage, respectively, for biomarker testing for the purposes of diagnosis, treatment, appropriate management, and ongoing monitoring of a patient’s disease or condition when the test is supported by medical and scientific evidence, including:

(1) labeled indications for a test approved or cleared by the U.S. Food and Drug Administration (FDA);

(2) indicated tests for an FDA-approved drug;

(3) warnings and precautions on FDA-approved drug labels;

(4) Centers for Medicare and Medicaid Services national coverage determinations or Medicare Administrative Contractor local coverage determinations; or

(5) nationally recognized clinical practice guidelines and consensus statements.

(c)(1) On or before January 15, 2027, the Department of Financial Regulation shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance on the estimated amount that health insurance premiums would increase if Vermont were to enact legislation requiring health insurance coverage of biomarker testing as set forth in subsection (b) of this section, including the amounts of the State’s financial

obligations for defrayal of premium increases for qualified health benefit plans pursuant to 45 C.F.R. § 155.170 and for premium increases in the State Employees' Health Benefit Plan.

(2) On or before January 15, 2027, the Agency of Human Services shall report to the House Committee on Health Care and the Senate Committee on Health and Welfare regarding the approvals that would be needed from the Centers for Medicare and Medicaid in order for Vermont Medicaid to cover biomarker testing as set forth in subsection (b) of this section and the costs to the Medicaid program if Vermont were to enact legislation requiring that coverage.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

Reported favorably by Senator Lyons for the Committee on Appropriations.

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

(Committee vote: 6-0-1)

S. 220.

An act relating to addressing education spending in fiscal years 2028 and 2029.

Reported favorably with recommendation of amendment by Senator Chittenden for the Committee on Finance.

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. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

* * *

(6) "Education spending" means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising,

federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

(B) ~~For all bonds approved by voters prior to July 1, 2024, voter-approved~~ Voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12).

* * *

Sec. 2. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(12) “Excess spending” means:

(A) The per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b).

(B) In excess of ~~118~~ 112 percent of the statewide average district per pupil education spending increased by inflation, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date. As used in this subdivision (B), “increased by inflation” means increasing the statewide average district per pupil education spending for fiscal year 2025 by the most recent New England Economic Project cumulative price index, as of November 15, for state and local government purchases of goods and services, from fiscal year 2025 through the fiscal year for which the amount is being determined.

(C) A school district’s excess spending shall be zero if any of the following conditions is met:

(i) the district’s education spending is not greater than the district’s educating spending for the preceding school year;

(ii) the district’s per pupil education spending is not greater than the district’s per pupil education spending for the preceding school year; or

(iii) the Secretary of Education, with the advice of three business managers and three superintendents selected by the Secretary, determines that the increase in the district’s per pupil education spending above the excess spending threshold was for good cause or beyond the district’s control, such as

due to emergency capital expenditures or substantial loss of pupils or offsetting revenues.

* * *

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

and that after passage the title of the bill be amended to read: “An act relating to the excess spending threshold”

(Committee vote: 5-2-0)

Reported favorably by Senator Baruth for the Committee on Appropriations.

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

(Committee vote: 7-0-0)

S. 278.

An act relating to cannabis.

Reported favorably with recommendation of amendment by Senator Ram Hinsdale 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:

* * * Packaging Limit * * *

Sec. 1. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

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

* * *

(3) Rules concerning product manufacturers shall include:

(A) requirements that a single package of a cannabis product shall not contain more than ~~100~~ 200 milligrams of THC, except in the case of:

* * *

* * * Transaction Limit * * *

Sec. 2. 7 V.S.A. § 907 is amended to read:

§ 907. RETAILER LICENSE

* * *

(b) In a single transaction, a retailer may provide ~~one ounce~~ two ounces of cannabis or the equivalent in cannabis products, or a combination thereof, to a person 21 years of age or older upon verification of a valid government-issued photograph identification card.

* * *

Sec. 3. 18 V.S.A. § 4230 is amended to read:

§ 4230. CANNABIS

(a) Possession and cultivation.

(1) No person shall knowingly and unlawfully possess more than ~~one ounce~~ two ounces of cannabis or more than ~~five~~ 10 grams of hashish or cultivate more than two mature cannabis plants or four immature cannabis plants. A person who violates this subdivision shall be assessed a civil penalty as follows:

* * *

(2)(A) No person shall knowingly and unlawfully possess more than two ounces ~~or more~~ of cannabis or ~~ten~~ 10 grams or more of hashish or more than three mature cannabis plants or six immature cannabis plants. For a first offense under this subdivision (2), a person shall be provided the opportunity to participate in the Court Diversion Program unless the prosecutor states on the record why a referral to the Court Diversion Program would not serve the ends of justice. A person convicted of a first offense under this subdivision shall be imprisoned not more than six months or fined not more than \$500.00, or both.

* * *

Sec. 4. 18 V.S.A. § 4230a is amended to read:

§ 4230a. CANNABIS POSSESSION BY A PERSON 21 YEARS OF AGE OR OLDER

(a)(1) Except as otherwise provided in this section, a person 21 years of age or older who possesses ~~one ounce~~ two ounces or less of cannabis or ~~five~~ 10 grams or less of hashish and two mature cannabis plants or fewer or four immature cannabis plants or fewer or who possesses paraphernalia for cannabis use shall not be penalized or sanctioned in any manner by the State or any of its political subdivisions or denied any right or privilege under State law. The ~~one-ounce~~ two-ounce limit of cannabis or ~~five~~ 10 grams of hashish

that may be possessed by a person 21 years of age or older shall not include cannabis cultivated, harvested, and stored in accordance with section 4230e of this title.

* * *

* * * Permits; Pilot Programs * * *

Sec. 5. 7 V.S.A. § 912 is added to read:

§ 912. EVENT PERMIT

(a) Authorization. The Board may grant event permits to licensed cannabis establishments in good standing. The holder of an event permit is authorized to oversee and administer a commercial event pursuant to this section and procedures adopted by the Board. Notwithstanding section 833 of this title, persons 21 years of age or older may consume cannabis or cannabis products at an event authorized pursuant to this section.

(b) Eligibility. A licensed cannabis establishment is eligible to apply for an event permit, provided that the establishment submits a fee and application demonstrating to the Board's satisfaction:

(1) that the establishment has received written approval from the local cannabis control commission created pursuant to 7 V.S.A. § 863, or the municipal legislative body if no local cannabis control commission exists, which may include conditions and limitations appropriate to protect the public, manage traffic, and abate nuisance;

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

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

(4) capacity to administer and enforce the required plans, and confirmation that the applicant has secured the services of a county law enforcement agency or private security provider licensed pursuant to 26 V.S.A. chapter 59, if required by the Board;

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

(6) compliance with any other health and safety requirements that the Board may prescribe for the particular event or event location, including limits on attendees or types of products that may be consumed at the event site.

(c) Restrictions. Annually, the Board shall issue not more than 10 permits for public events and 10 permits for private events. An event permit shall be valid for a single event not to exceed 24 hours held at a single access-controlled location. An event permit shall not be issued for a location at which alcoholic beverages are sold or furnished for on-premises consumption. A cannabis retailer that holds an event permit shall not conduct sales at the licensed retail location and the permitted event contemporaneously, except for sales conducted from a permitted event location that is contiguous with the licensed retail location. The holder of an event permit shall sell only registered adult-use cannabis and cannabis products at the event.

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

(e) Fee. Cannabis establishments shall be assessed a fee of \$500.00 to apply for an event permit, of which 50 percent shall be distributed to the host municipality and 50 percent shall be deposited in the Cannabis Regulation Fund.

(f) Procedures. The Board shall adopt procedures pursuant to 3 V.S.A. § 835 to govern the event permits issued pursuant to this section, including application procedures and associated forms, the permittee selection process, security requirements, and event site restrictions. For the permittee selection procedures, the Board shall include a requirement that permits are issued equitably among cannabis establishment license categories.

(1) For each procedure proposed to be adopted or amended pursuant to this section, the Board shall publish the proposed procedure on the Board's website and hold not fewer than two public hearings at which members of the public may seek additional information or submit oral or written comments concerning the proposed procedure.

(2) The Board shall not be required to initiate rulemaking pursuant to 3 V.S.A. § 831(c) in relation to a procedure adopted pursuant to this section. A procedure adopted pursuant to this section shall have the force of law and be binding on all persons who apply for and hold an event permit pursuant to this section.

Sec. 6. 7 V.S.A. § 913 is added to read:

§ 913. DELIVERY PERMIT

(a) Authorization. The Board may grant delivery permits to tier 1 and tier 2 cultivators and tier 1 and tier 2 manufacturers licensed under this chapter.

(b) Permit terms and restrictions. The Board may grant not more than 15 delivery permits annually. The holder of a delivery permit may deliver cannabis and cannabis products sold from the licensed premises for consumption off the premises to an individual who is 21 years of age or older, provided:

(1) Deliveries shall only be made by the permit holder or an employee or agent of the permit holder.

(2) Deliveries shall only occur between the hours of 9:00 a.m. and 5:00 p.m.

(3) Deliveries shall only be made to a physical address located in Vermont.

(4) An employee or agent of a delivery permit holder shall not be permitted to make deliveries pursuant to the permit unless the employee has completed a training program approved by the Cannabis Control Board.

(5) Cannabis and cannabis products delivered pursuant to a delivery permit shall be for personal use and not for resale.

(c) Fee. A cannabis establishment shall pay an annual fee of \$100.00 when applying for or renewing a delivery permit.

(d) Procedures. The Board shall adopt procedures pursuant to 3 V.S.A. § 835 to govern the delivery permits issued pursuant to this section, including any application procedures and associated forms, the permittee selection process, permit restrictions, and storage and security requirements.

(1) For each procedure proposed to be adopted or amended pursuant to this section, the Board shall publish the proposed procedure on the Board's website and hold not fewer than two public hearings at which members of the public may seek additional information or submit oral or written comments concerning the proposed procedure.

(2) The Board shall not be required to initiate rulemaking pursuant to 3 V.S.A. § 831(c) in relation to a procedure adopted pursuant to this section. A procedure adopted pursuant to this section shall have the force of law and be binding on all persons who apply for and hold a delivery permit pursuant to this section.

Sec. 7. 32 V.S.A. § 7902 is amended to read:

§ 7902. CANNABIS EXCISE TAX

* * *

(b) The tax imposed by this section shall be paid by the purchaser to the retailer or ~~integrated licensee~~ holder of an event or delivery permit. Each retailer or ~~integrated licensee~~ permit holder shall collect from the purchaser the full amount of the tax payable on each taxable sale.

* * *

Sec. 8. 32 V.S.A. § 7904 is amended to read:

§ 7904. RETURNS; RECORDS

(a) Any retailer or ~~integrated licensee~~ holder of an event or delivery permit required to collect the tax imposed by this chapter shall, on or before the 25th day of every month, return to the Department of Taxes, under oath of a person with legal authority to bind the retailer or ~~integrated licensee~~ permit holder, a statement containing its name and place of business, the total amount of sales subject to the cannabis excise tax made in the preceding month, and any information required by the Department of Taxes, along with the total tax due. Retailers and ~~integrated licensees~~ permit holders shall not remit the tax collected to the Department of Taxes in cash absent the issuance of a waiver by the Commissioner of Taxes, and the Commissioner may require that returns be submitted electronically.

(b) Every retailer and ~~integrated licensee~~ permit holder shall maintain, for not less than three years, accurate records showing all transactions subject to tax liability under this chapter. The records are subject to inspection by the Department of Taxes at all reasonable times during normal business hours.

Sec. 9. 32 V.S.A. § 7906 is amended to read:

§ 7906. LICENSE

(a) Any retailer or ~~integrated licensee~~ holder of an event or delivery permit required to collect tax imposed by this chapter must apply for and receive a cannabis retail tax license from the Commissioner for each place of business within the State where ~~he or she~~ the retailer or permit holder sells cannabis or cannabis products prior to commencing business. The Commissioner shall issue without charge a license, or licenses, empowering the retailer or ~~integrated licensee~~ permit holder to collect the cannabis excise tax, provided that a retailer's or ~~integrated licensee's~~ permit holder's application is properly submitted and the retailer or ~~integrated licensee~~ permit holder is otherwise in compliance with applicable laws, rules, and provisions.

* * *

Sec. 10. CANNABIS CONTROL BOARD; RULES AND REPORT

(a) On or before July 1, 2027, the Cannabis Control Board shall initiate rulemaking pursuant to 3 V.S.A. chapter 25 to adopt rules governing the permits established in Secs. 7 and 8 of this act.

(b) On or before November 15, 2027, the Cannabis Control Board shall submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs concerning the permits established in Secs. 7 and 8 of this act. The report shall include a concise assessment of the benefits, challenges, and administrative viability of the permit programs. The Board may recommend best practices for security, inventory tracking, tax enforcement, permit administration, local government coordination, and optimizing market access for small cultivators. The Board shall recommend updates to the statutes governing event permits and delivery permits, including whether either statute should be repealed on the date set by this act.

* * * Municipal Authority * * *

Sec. 11. 7 V.S.A. § 863 is amended to read:

§ 863. REGULATION BY LOCAL GOVERNMENT

~~(a)(1) Prior to a cannabis retailer or the retail portion of an integrated licensee operating within a municipality, the municipality shall affirmatively permit the operation of such cannabis establishments by majority vote of those present and voting by Australian ballot at an annual or special meeting warned for that purpose. A municipality may place retailers or integrated licensees, or both, on the ballot for approval. A proposal to hold a vote pursuant to this subsection may be made by the legislative body of the municipality or by petition of five percent of the voters of the municipality.~~

(2) A vote to permit the operation of a licensed cannabis retailer ~~or integrated licensee~~ within the municipality shall remain in effect until rescinded by majority vote of those present and voting by Australian ballot at a subsequent annual or special meeting warned for that purpose. A rescission of the permission to operate a licensed cannabis retailer ~~or integrated licensee~~ within the municipality under this subdivision shall not apply to a licensed cannabis retailer ~~or integrated licensee~~ that is operating within the municipality at the time of the vote.

~~(b)(1)~~ A municipality that hosts any cannabis establishment may establish a cannabis control commission composed of commissioners who may be members of the municipal legislative body.

(2) The local cannabis control commission may issue and administer local control licenses under this subsection for cannabis establishments within the municipality but shall not assess a fee for a local control license issued to a cannabis establishment. The commissioners may condition the issuance of a local control license upon compliance with any bylaw adopted pursuant to 24 V.S.A. § 4414 or upon ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A. § 2291, except that ordinances may not regulate public nuisances as applied to:

(A) indoor cultivators;

(B) tier 1 manufacturers;

(C) outdoor cultivators that are regulated in the same manner as the Required Agricultural Practices under subdivision 869(f)(2) of this title.

(3) The commission may suspend or revoke a local control license for a violation of any condition placed upon the license.

(4) The Board shall adopt rules relating to a municipality's issuance of a local control license in accordance with this subsection and the local commissioners shall administer the rules furnished to them by the Board as necessary to carry out the purposes of this section.

* * *

(d) A municipality shall not:

(1) ~~prohibit~~ adopt an ordinance or bylaw that completely prohibits the operation of a cannabis establishment establishments within the municipality through an ordinance adopted pursuant to 24 V.S.A. § 2291 or a bylaw adopted pursuant to 24 V.S.A. § 4414, or regulate a cannabis establishment establishments in a manner that has the effect of completely prohibiting the operation of a cannabis establishment establishments within the municipality;

* * *

* * * Distribution of Local License Fees to Municipalities * * *

Sec. 12. 7 V.S.A. § 846 is amended to read:

§ 846. FEES; AUTHORITY

* * *

(c) ~~Distribution to municipalities.~~ After reduction for costs of administration and collection, the Board shall pay local license fees on a ~~quarterly~~ annual basis to the municipality for which the fees were collected.

* * * Two-Year Employee Identification Cards * * *

Sec. 13. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

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

* * *

(8) Employees. Cannabis establishments licensed by the Board shall be assessed ~~an annual~~ a biennial licensing fee of ~~\$50.00~~ \$100.00 for each employee. Employee licenses shall be valid for two years.

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

* * *

* * * Repeal of Integrated License Provisions * * *

Sec. 14. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

* * *

(8) “Cannabis establishment” means a cannabis cultivator, propagation cultivator, wholesaler, product manufacturer, retailer, or testing laboratory, ~~or integrated licensee~~ licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

* * *

(24) ~~“Integrated licensee” means a person licensed by the Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with this chapter. [Repealed.]~~

* * *

Sec. 15. 7 V.S.A. § 866 is amended to read:

§ 866. YOUTH

* * *

(c) The Board, in consultation with the Department of Health, shall adopt rules in accordance with section 881 of this title to:

* * *

(3) require that cannabis products sold by licensed retailers ~~and integrated licensees~~ are contained in child-resistant packaging; and

(4) require that cannabis and cannabis products sold by licensed retailers ~~and integrated licensees~~ are packaged with labels that clearly indicate that the contents of the package contain cannabis and should be kept away from persons under 21 years of age.

* * *

Sec. 16. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

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

* * *

(2)(A) Rules concerning cultivators shall include:

* * *

(v) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~, including health warnings developed in consultation with the Department of Health;

* * *

~~(7) Rules concerning integrated licensees shall include the provisions provided in subdivisions (1)-(6) of this subsection and any additional provisions the Board deems appropriate for safe regulation of integrated licensees in accordance with this chapter. [Repealed.]~~

(8) Rules concerning propagators shall include:

* * *

(E) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~;

* * *

Sec. 17. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

* * *

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

* * *

(E) a retailer license; and

(F) a testing laboratory license; and

~~(G) an integrated license.~~

* * *

(3)(A) Except as provided in subdivisions (B) and (C) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions (1)(A)–(F) of this subsection (d). Each license shall permit only one location of the establishment.

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

* * *

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

* * *

Sec. 18. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may:

(1) cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, ~~integrated licensee,~~ and dispensary;

* * *

(3) possess and sell cannabis products to a licensed wholesaler, product manufacturer, retailer, ~~integrated licensee~~, and dispensary.

* * *

Sec. 19. 7 V.S.A. § 904a is amended to read:

§ 904a. SMALL CULTIVATORS

* * *

(d) Upon licensing, a small cultivator may sell cannabis to a licensed dispensary at any time for sale to patients and caregivers pursuant to the dispensary license ~~or to the public pursuant to an integrated license~~, including the time period before retail sales are permitted for licensed cannabis retailers.

Sec. 20. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

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

* * *

(6) ~~Integrated licensees. Integrated licensees shall be assessed an annual licensing fee of \$100,000.00. [Repealed.]~~

* * *

Sec. 21. 7 V.S.A. § 974 is amended to read:

§ 974. RULEMAKING

(a)(1) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate.

(2) Rules shall include:

* * *

(U) labeling requirements for cannabis sold to retailers ~~and integrated licensees~~, including health warnings developed in consultation with the Department of Health;

* * *

Sec. 22. 7 V.S.A. § 987 is amended to read:

§ 987. CANNABIS BUSINESS DEVELOPMENT FUND

(a) There is established the Cannabis Business Development Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) The Fund shall comprise:

(1) ~~a one-time contribution of \$50,000.00 per integrated license to be made on or before October 15, 2022; and [Repealed.]~~

* * *

* * * CBDF Grants for Cultivators, Manufacturers, and Economic Empowerment Businesses * * *

Sec. 23. 7 V.S.A. § 987 is amended to read:

§ 987. CANNABIS BUSINESS DEVELOPMENT FUND

* * *

(c) The Fund shall be used for the following purposes:

(1) to provide low-interest rate loans and grants to:

(A) social equity applicants to pay for ordinary and necessary expenses to start and operate a licensed cannabis establishment; and

(B) tier 1 cultivators, tier 1 manufacturers, and businesses granted economic empowerment status by the Board;

* * *

* * * Household Income; Cannabis Business Expenses Deduction * * *

Sec. 24. 32 V.S.A. § 6061 is amended to read:

§ 6061. DEFINITIONS

As used in this chapter unless the context requires otherwise:

* * *

(5) “Modified adjusted gross income” means “federal adjusted gross income”:

* * *

(F) With the inclusion of any federal deduction or credit that the claimant would have been allowed for the cultivation, testing, processing, or sale of cannabis or cannabis products as authorized under 7 V.S.A. chapter 33 or 37, but for 26 U.S.C. § 280E.

* * *

* * * Outdoor Cannabis Cultivation; Use Value Appraisal Program * * *

Sec. 25. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND
USE STANDARDS; REGULATION OF CULTIVATION

* * *

(f) Notwithstanding subsection (a) of this section, a cultivator licensed under this chapter who ~~initiates cultivation of~~ cultivates cannabis outdoors ~~on a parcel of land as defined in rule by the Cannabis Control Board pursuant to section 881 of this chapter~~ shall:

* * *

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis;

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771; and

* * *

Sec. 26. 32 V.S.A. § 3102 is amended to read:

§ 3102. CONFIDENTIALITY OF TAX RECORDS

* * *

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

* * *

(25) To the Cannabis Control Board for the purposes of administering the Cannabis Excise Tax under chapter 207 of this title, the Sales and Use Tax under chapter 233 of this title, and the exemptions to those taxes.

* * *

* * * Cannabis Cultivator Cooperatives * * *

Sec. 27. 7 V.S.A. § 904c is added to read:

§ 904c. CANNABIS CULTIVATOR COOPERATIVE CORPORATIONS

Licensed cannabis cultivators may form a cannabis cultivator cooperative corporation pursuant to 11 V.S.A. chapter 7 in the same manner as other associations or persons engaged in the production of the agricultural or handcraft products.

Sec. 28. APPROPRIATIONS

(a) In fiscal year 2027, the sum of \$1,000,000.00 is transferred from the General Fund to the Cannabis Business Development Fund.

(b) In fiscal year 2027, the sum of \$1,680,000.00 is appropriated to the Vermont Land Access and Opportunity Board.

* * * Repeals * * *

Sec. 29. REPEALS

(a) 7 V.S.A. § 909 (integrated license) is repealed on July 1, 2026.

(b) 7 V.S.A. § 862 (cannabis establishment chapter not applicable to hemp or therapeutic use of cannabis) is repealed on July 1, 2026.

(c) 7 V.S.A. § 912 (cannabis event permit) is repealed on July 1, 2028.

(d) 7 V.S.A. § 913 (cannabis delivery permit) is repealed on July 1, 2028.

* * * Effective Dates * * *

Sec. 30. EFFECTIVE DATES

(a) This section shall take effect on passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 24 (household income; cannabis business expenses deduction) shall take effect retroactively on January 1, 2025, for household income received beginning in the 2025 calendar year and shall apply to property tax credit claims filed on and after January 1, 2026.

(c) All other sections 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 Economic Development, Housing and General Affairs.

(Committee vote: 6-0-1)

CONCURRENT RESOLUTIONS FOR NOTICE

Concurrent Resolutions For Notice Under Joint Rule 16

The following joint concurrent resolutions have been introduced for approval by the Senate and House. They will be adopted by the Senate unless a Senator requests floor consideration before the end of the session of the next

legislative day. Requests for floor consideration should be communicated to the Secretary's Office.

H.C.R. 227-229 (For text of Resolutions, see Addendum to House Calendar for March 19, 2026)

CONFIRMATIONS

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

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

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).