Senate Calendar

FRIDAY, MAY 8, 2026

SENATE CONVENES AT: 11:30 A.M.

TABLE OF CONTENTS

Page No.

ACTION CALENDAR

UNFINISHED BUSINESS OF MAY 6, 2026

House Proposal of Amendment

S. 179 An act relating to the Uniform Disclaimer of Property Interests Act
House Proposal of Amendment 2407

S. 227 An act relating to creating immigration protocols in Vermont schools
House Proposal of Amendment 2407

S. 230 An act relating to fair employment practices
House Proposal of Amendment 2411

S. 298 An act relating to creating the Vermont Voting Rights Act
House Proposal of Amendment 2414

UNFINISHED BUSINESS OF MAY 7, 2026

Second Reading

Favorable with Proposal of Amendment

H. 660 An act relating to fiscal year 2027 Opioid Abatement Special Fund appropriations
Health and Welfare Report - Sen. Lyons 2419
Appropriations Report - Sen. Lyons 2425

H. 944 An act relating to the fiscal year 2027 Transportation Program and miscellaneous changes to laws related to transportation
Transportation Report - Sen. Westman 2427
Finance Report - Sen. Chittenden 2478
Appropriations Report - Sen. Westman 2478
Amendment - Sen. Chittenden 2479

House Proposal of Amendment

S. 327 An act relating to economic development
House Proposal of Amendment 2482

NEW BUSINESS

Third Reading

S. 329 An act relating to criminal procedures involving firearms.............2502

H. 816 An act relating to regulating the use of artificial intelligence in the provision of mental health services.. 2502

H. 921 An act relating to alcoholic beverages...2502

H. 930 An act relating to addressing and preventing chronic absenteeism.. 2502
Amendment - Sen. Gulick 2502

Second Reading

Favorable

H. 635 An act relating to eliminating Department of Corrections supervisory fees
Institutions Report - Sen. Plunkett 2503
Finance Report - Sen. Beck 2503

House Proposal of Amendment

S. 239 An act relating to the Child Abuse and Neglect Reporting Working Group
House Proposal of Amendment 2503

NOTICE CALENDAR

GOVERNOR'S VETO

S. 218 An act relating to reducing chloride contamination of State waters.. 2507

Pending question: Shall the bill pass, notwithstanding the Governor's refusal to approve the bill?
Text of Veto message..2507
Bill as passed by Senate and House..2508

Second Reading

Favorable

H. 171 An act relating to criminal justice agency protocols for an officer-involved shooting
Judiciary Report - Sen. Norris 2515

Favorable with Proposal of Amendment

H. 567 An act relating to unclaimed property, State retirement systems, and capital debt
Government Operations Report - Sen. White 2515
Finance Report - Sen. Hardy 2515

H. 577 An act relating to establishing the Vermont Prescription Drug Discount Card Program
Health and Welfare Report - Sen. Lyons 2516
Finance Report - Sen. Gulick 2517
Appropriations Report - Sen. Lyons 2517

H. 583 An act relating to clinical decision making
Health and Welfare Report - Sen. Lyons 2517

H. 588 An act relating to professions and occupations regulated by the Office of Professional Regulation
Government Operations Report - Sen. Vyhovsky 2518
Finance Report - Sen. Hardy 2540
Appropriations Report - Sen. Westman 2540

H. 606 An act relating to firearms procedures
Judiciary Report - Sen. Hashim 2541

H. 611 An act relating to miscellaneous provisions affecting the Department of Vermont Health Access
Health and Welfare Report - Sen. Gulick 2552
Appropriations Report - Sen. Lyons 2554

H. 657 An act relating to various programming and requirements within the Department for Children and Families
Health and Welfare Report - Sen. Morley 2554
Finance Report - Sen. Chittenden 2575
Amendment - Sens. Lyons, et al 2575

H. 841 An act relating to miscellaneous animal welfare procedures
Government Operations Report - Sen. Collamore 2575

H. 931 An act relating to miscellaneous changes in education law
Education Report - Sen. Hashim 2584

H. 937 An act relating to miscellaneous judiciary procedures
Judiciary Report - Sen. Hashim 2600

House Proposal of Amendment

S. 202 An act relating to portable solar energy generation devices
House Proposal of Amendment 2606

S. 223 An act relating to water quality of the waters of Vermont
House Proposal of Amendment 2609

House Proposal of Amendment to Senate Proposal of Amendment

H. 778 An act relating to dam safety
House Proposal of Amendment to Senate Proposal of Amendment 2613

CONCURRENT RESOLUTIONS FOR ACTION

S.C.R. 12 (For text of resolution, see Addendum to Senate Calendar for May 7, 2026) 2613

H.C.R. 284-293 (For text of resolutions, see Addendum to House Calendar for May 7, 2026) 2613

ORDERS OF THE DAY

ACTION CALENDAR

UNFINISHED BUSINESS OF WEDNESDAY, MAY 6, 2026

House Proposal of Amendment

S. 179.

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

The House proposes to the Senate to amend the bill in Sec. 1, 14 V.S.A. chapter 129, in subsection 4105(c), after the word "minor" by inserting the word "child"

S. 227.

An act relating to creating immigration protocols in Vermont schools.

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

Sec. 1. PURPOSE

The purpose of this act is to secure the right of every child to equal access to a free public education and to a school that is safe from intimidation and fear, regardless of immigration status. In order to ensure the right to educational equality, schools must take steps to protect the integrity of school learning environments for all children, so that no parent is discouraged from sending a child to, and no child is discouraged from attending, school, including due to the threat of immigration enforcement on a school campus.

Sec. 2. 16 V.S.A. chapter 33 is amended to read:

CHAPTER 33. FIRE AND EMERGENCY PREPAREDNESS DRILLS ~~AND~~, SAFETY PATROLS, AND IMMIGRATION PROTOCOLS

* * *

§ 1486. IMMIGRATION PROTOCOLS

(a) Definitions. As used in this section:

(1)(A) "Law enforcement officer" has the same meaning as in 20 V.S.A. § 2351a and includes any officer of a federal law enforcement agency or any person acting on behalf of a local, state, or federal law enforcement agency.

(B) "Law enforcement officer" does not include a school resource officer or safety officer who is stationed at a school.

(2) "Nonpublic area of a school" means an area of a school that normally requires authorization to enter, consistent with the policy required by section 1484 of this chapter, and includes any area a superintendent or head of school or designee determines to be nonpublic.

(3) "School" means a public school or an independent school approved under section 166 of this title.

(b) Immigration resources and support.

(1) A superintendent or head of school shall:

(A) distribute the immigration resource guide developed by the Office of the Attorney General pursuant to subdivision (2) of this subsection (b) to staff, students, and family members of students;

(B) at each school the superintendent or head of school oversees, designate at least one individual to serve as a resource for immigration-related matters who shall receive on an ongoing basis updated information and training material as provided to the superintendent or head of school by the Office of the Attorney General; and

(C) provide support, to the greatest extent possible, to a student with regard to immigration-related concerns, including connecting the student and the student's family with an immigration advocacy institution and similar resources.

(2)(A) The Office of the Attorney General, in consultation with the Agency of Education, shall develop an immigration resource guide that shall:

(i) include immigration- and civil rights–related resources; information regarding standby guardianships pursuant to 14 V.S.A § 2626a; and a list of immigration, human rights, and relevant advocacy organizations available to provide immigration assistance to students and staff; and

(ii) be developed in a manner that serves to protect the privacy and safety of students and staff.

(B) The Office of the Attorney General shall review the guide at least once annually and send any updates made to the guide to the Agency of Education for distribution to all superintendents and heads of schools not later than 30 days after completing the update.

(c) Student information privacy. School districts and independent schools are prohibited from:

(1) collecting or requesting information regarding citizenship or immigration status of a student or of a family member of the student except as

required by State or federal law or as required to administer a State- or federally supported educational program;

(2) disclosing a student's immigration status, citizenship, place of birth, nationality, or national origin:

(A) in any database that the school maintains; or

(B) as directory information, as that term is defined by the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g and 34 C.F.R. Part 99; and

(3) voluntarily sharing student information, including immigration status, citizenship, place of birth, nationality, national origin, sexual orientation, status as a survivor of domestic violence or sexual assault, status as a recipient of public assistance, or school discipline records, with a third party unless required to do so by State or federal law.

(d) Law enforcement on-site and requests for information.

(1) A superintendent or head of school shall:

(A) subject to subdivision (B) of this subdivision (1), be the sole authority to admit a law enforcement officer who appears on an immigration-related matter into a nonpublic area of school; and

(B) designate at least one individual who works at each school to serve as a designee of the superintendent or head of school in the event that the superintendent or head of school is not present when the law enforcement officer appears on-site.

(2) The superintendent or head of school or designee shall not allow a law enforcement officer appearing on an immigration-related matter into a nonpublic area of a school unless the officer provides official identification and a judicial warrant that authorizes entrance into a specific area of the school and names a specific individual located within the school who is subject to a search or arrest.

(3) Absent a judicial warrant pursuant to subdivision (2) of this subsection, no school or individual working at a school shall reveal any information about a student or school staff member in response to an immigration-related request from a law enforcement officer unless otherwise required by law.

(4) As used in this subsection, "immigration-related matter" and "immigration-related request" mean an administrative warrant, civil warrant, immigration detainer, or any other document or request that pertains to an individual's immigration or citizenship status.

(e) Immigration agreements.

(1) Except as required by State or federal law, no school, school district, or supervisory union shall enter into an agreement with a State, local, or federal government entity that furthers the enforcement of any immigration law.

(2)(A) Any proposed agreement pursuant to subdivision (1) of this subsection (e) that purports to be required by State or federal law shall be subject to review by the superintendent or head of school after the superintendent or head of school has consulted with the Office of the Attorney General.

(B) The superintendent or head of school shall provide a recommendation on the proposed agreement to the school's appropriate governing body after the superintendent's or head of school's review pursuant to subdivision (A) of this subdivision (2).

(f) Applicability. Nothing in this section is intended to prohibit or impede any public agency from complying with the lawful requirements of 8 U.S.C. §§ 1373 and 1644. To the extent any school, school district, or supervisory union policy or practice conflicts with the lawful requirements of 8 U.S.C. §§ 1373 and 1644, the policy or practice is, to the extent of such conflict, abolished.

(g) Policy required.

(1) Model policy and recommended procedures. On or before January 1, 2027, the Agency of Education, in consultation with the Office of the Attorney General, the Vermont Independent Schools Association, and the Vermont School Boards Association, shall develop, and review at least annually, a model policy along with recommended procedures that reflect the requirements set forth in subsections (c) and (d) of this section.

(2) Adoption of policy and procedures.

(A) Beginning with the 2027–2028 school year, each school board shall develop, adopt, ensure the enforcement of, and make available in the manner described under subdivision 563(1) of this title an immigration protocol policy that shall be at least as stringent as the model policy developed by the Agency. Any school board that fails to adopt a policy shall be presumed to have adopted the most current model policy published by the Agency.

(B) Beginning with the 2027–2028 school year, each independent school shall develop, adopt, and ensure the enforcement of an immigration protocol policy that shall be at least as stringent as the model policy developed

by the Agency. Any approved independent school that fails to adopt a policy shall be presumed to have adopted the most current model policy published by the Agency.

Sec. 3. IMMIGRATION RESOURCE GUIDE

The Office of the Attorney General shall complete the immigration resource guide required pursuant to 16 V.S.A. § 1486(b)(2) on or before August 1, 2026, and shall send the completed guide to the Agency of Education for distribution to all superintendents and heads of schools on or before August 31, 2026.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

S. 230.

An act relating to fair employment practices.

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

Sec. 1. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

* * *

(5) "Employee" means a person who, in consideration of direct or indirect gain or profit, has been continuously employed by the same employer for a period of one year for an average of at least 30 hours per week or meets the service requirement set forth in 29 C.F.R. § 825.801 (airline flight crew employees) or 29 C.F.R. § 825.110(c)(3) (full-time teachers, as defined in 29 C.F.R. § 825.102, of an elementary or secondary school system or institution of higher education).

* * *

Sec. 2. 21 V.S.A. § 495d is amended to read:

§ 495d. DEFINITIONS

As used in this subchapter:

* * *

(15) "Crime victim" means any of the following:

(A) a person who has obtained a relief from abuse order issued under 15 V.S.A. § 1103;

(B) a person who has obtained an order against stalking or sexual assault issued under 12 V.S.A. chapter 178;

(C) a person who has obtained an order against abuse of a vulnerable adult issued under 33 V.S.A. chapter 69; ~~or~~

(D)(i) a victim as defined in 13 V.S.A. § 5301, provided that the victim is identified as a crime victim in an affidavit filed by a law enforcement official with a prosecuting attorney of competent state or federal jurisdiction; and

(ii) shall include the victim's child, foster child, parent, spouse, stepchild or ward of the victim who lives with the victim, or a parent of the victim's spouse, provided that the individual is not identified in the affidavit as the defendant; or

(E) a person who is a survivor of domestic violence, sexual assault, or stalking and who has supporting documentation from any one of the following sources:

(i) a court or law enforcement or other government agency;

(ii) a domestic violence, sexual assault, or stalking assistance program;

(iii) a legal, clerical, medical, or other professional from whom the person has received counseling or other assistance concerning domestic violence, sexual assault, or stalking; or

(iv) a self-attestation by the person describing the circumstances supporting the person's status as a survivor of domestic violence, sexual assault, and stalking for which no further corroboration shall be required unless otherwise mandated by law.

* * *

(18) "Domestic violence" has the same meaning as in 15 V.S.A. § 1151 and includes the definition of "abuse" in 15 V.S.A. § 1101.

(19) "Sexual assault" has the same meaning as in 12 V.S.A. § 5131.

(20) "Stalking" has the same meaning as in 12 V.S.A. § 5131.

Sec. 3. 21 V.S.A. § 495g is amended to read:

§ 495g. ~~PROVISION APPLICABLE TO COLLEGE PROFESSORS~~

~~Nothing in this subchapter shall be construed to prohibit any institution of higher education as defined by section 1201(a) of the federal Higher Education Act of 1965 from retiring any employee who is serving under a contract of unlimited tenure, who attains 70 years of age. Any employee whose tenure contract is terminated may, in the discretion of the institution, be allowed to continue in the employ of the institution on a nontenured basis.~~ [Repealed.]

Sec. 3a. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

As used in this subchapter:

(1) "Commissioner" means the Commissioner of Labor or designee.

(2) "Employee" means any individual employed or permitted to work by an employer except:

* * *

(H) outside salespersons; ~~and~~

(I) students working during all or any part of the school year or regular vacation periods; and

(J) elected and appointed municipal officers.

* * *

Sec. 3b. 21 V.S.A. § 495q is added to read:

§ 495q. AGREEMENTS NOT TO COMPETE; PROHIBITION

(a) Nonexempt employees. Agreements not to compete between an employer and a nonexempt employee, per the Fair Labor Standards Act, 29 U.S.C. §§ 201–219, are prohibited as presumptively coercive and a restraint on trade, unless bargained for as part of a collective bargaining agreement.

(b) Health care providers.

(1) Any provision in a contract or agreement that creates or establishes the terms of a partnership, employment, or any other form of professional relationship with a health care provider regarding the health care provider's provision of health care services in Vermont shall be void and unenforceable if the provision:

(A) includes a restriction on the right of the health care provider to provide health care services in any geographical area for any period of time after the termination of such partnership, agreement, or professional relationship;

(B) limits the ability of a separating health care provider to provide notice of the provider's change of employment to individuals to whom the separating provider provided direct health care services;

(C) restricts a health care provider from making disparaging statements about another party to the contract or agreement, or about another person specified in the agreement as a third-party beneficiary of the agreement;

(D) is inconsistent with Vermont law; or

(E) requires litigation arising from the performance of the contract or agreement in Vermont to be conducted in another state.

(2) The notice provided in subdivision (1)(B) of this subsection may include the following information:

(A) that the health care provider is continuing to practice the provider's profession;

(B) the health care provider's new professional contact information; and

(C) the recipient's right to choose a health care provider.

(3) The provisions in subdivision (1) of this subsection do not apply to restrictions that limit a health care provider who contracts with a third-party company for nonclinical business support services from opening a business within a specific territory supported by a different third-party company providing nonclinical services.

(c) Retaliation and remedies. An employer shall not discharge or in any other manner retaliate against an employee who exercises or attempts to exercise the employee's rights under this section. The provisions against retaliation in subdivision 495(a)(8) of this subchapter and the penalty provisions of section 495b of this subchapter shall apply to this section.

(d) Effective date. This section shall apply to agreements not to compete entered into on or after July 1, 2026.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

S. 298.

An act relating to creating the Vermont Voting Rights Act.

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

* * * Voter Protections Act * * *

Sec. 1. SHORT TITLE

This act may be cited as the "Voter Protections Act of 2026."

Sec. 2. 17 V.S.A. chapter 35 is amended to read:

CHAPTER 35. OFFENSES AGAINST THE PURITY OF ELECTIONS

* * *

Subchapter 2. Penalties Upon Voters

* * *

§ 1972. SHOWING BALLOT~~; INTERFERENCE WITH VOTER~~

~~(a)~~ A voter who, except in cases of assistance as provided in this title, allows ~~his or her~~ the voter's ballot to be seen by another person with an apparent intention of letting it be known how ~~he or she~~ the voter is about to vote or makes a false statement to the presiding officer at an election as to ~~his or her~~ the voter's inability to mark ~~his or her~~ the voter's ballot or places a distinguishing mark on ~~his or her~~ the voter's ballot ~~or a person who interferes with a voter when inside the guard rail or who, within the building in which the voting is proceeding, endeavors to induce a voter to vote for a particular candidate,~~ shall be fined $1,000.00.

~~(b) It shall be the duty of the election officers to see that the offender is duly prosecuted for a violation of this section.~~

* * *

§ 1975. INTERFERENCE WITH VOTERS AND ELECTION OFFICIALS

(a) No person shall intentionally or recklessly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce:

(1) any other person for the purpose of:

(A) obstructing the right of the other person to vote or to vote as the other person may choose; or

(B) causing the other person to vote for, or not to vote for, any candidate for public office or public question at any election; or

(2) a public servant, an election official, or a public employee for the purpose of obstructing the administration of an election.

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

§ 1976. IMPAIRMENT OF VOTING RIGHTS OF REGISTERED VOTERS

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

* * *

Subchapter 4. Use of Synthetic Media in Elections

* * *

Subchapter 5. Enforcement and Investigation

* * *

Subchapter 6. Voter Protections

§ 2045. VOTE DENIAL OR DILUTION

(a) No voting qualification or prerequisite to voting or standard, practice, or procedure shall be imposed or applied by the State or any municipality in a manner that results in a denial or abridgement of the right of any citizen of the United States to vote based on race or color, membership in a language minority group, or having a disability as defined in 9 V.S.A. § 4501.

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

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

(d) As used in this section:

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

(2) "Protected class" means a group of citizens protected from discrimination based on race or color, membership in a language minority group, or having a disability as defined in 9 V.S.A. § 4501.

§ 2046. CIVIL ACTIONS BY ATTORNEY GENERAL

(a) Whenever the Attorney General has reasonable cause to believe that a violation of this subchapter has occurred and that the rights of any voter or

group of voters have been affected by such violation, the Attorney General may initiate a civil action in the Civil Division of the Superior Court in the county in which the alleged violation has occurred for appropriate relief.

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

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

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

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

* * * Voter Checklists * * *

Sec. 3. 17 V.S.A. § 2154 is amended to read:

§ 2154. STATEWIDE VOTER CHECKLIST

* * *

(c)(1) Any person wishing to obtain a copy of all of the statewide voter checklist ~~must~~, a municipality's portion of the statewide voter checklist, or any other municipal voter checklist shall swear or affirm, under penalty of perjury pursuant to 13 V.S.A. chapter 65, that the person will not:

(A) use the checklist for commercial purposes; or

(B) knowingly disclose the checklist to any foreign government or to a federal agency or commission or to a person acting on behalf of a foreign government or of such a federal entity in circumvention of the prohibited purposes for using the checklist set forth in subdivision (b)(2) of this section.

(2) ~~The~~ In the case of the statewide voter checklist, the affirmation shall be filed with the Secretary of State. In the case of a municipality's portion of the statewide voter checklist or any other municipal voter checklist, the affirmation shall be filed with the municipal clerk.

* * *

* * * Disclosures for Candidates for State, Legislative, and County Office * * *

Sec. 4. 17 V.S.A. § 2414 is amended to read:

§ 2414. CANDIDATES FOR STATE ~~AND~~, LEGISLATIVE, AND COUNTY OFFICE; DISCLOSURE FORM

* * *

(f)(1) The State Ethics Commission shall provide informational resources to candidates and answer candidates' questions regarding the requirements of this section, how to accurately complete and submit the disclosure form, and the penalties for failing to properly file the disclosure form pursuant to section 2415 of this title. The Commission shall make available on its web page the disclosure form, preprepared responses to frequently asked questions, and any informational resources and materials that it deems necessary to adequately inform candidates of how to comply with the provisions of this section. Upon contact by a candidate, the Commission shall provide answers to the candidate's questions by email or by phone, whichever the candidate may prefer.

(2) The Office of the Secretary of State shall provide hyperlinks from its web page connecting to the disclosure form and other materials and resources required of the State Ethics Commission pursuant to subdivision (1) of this subsection.

Sec. 5. SUSPENSION OF DISCLOSURE PENALTIES FOR CANDIDATES FOR STATE, LEGISLATIVE, AND COUNTY OFFICE

Notwithstanding 17 V.S.A. § 2415, through May 30, 2027, the State Ethics Commission shall not enforce against any delinquent filers, nor shall the Office of the Secretary of State notify the State Ethics Commission of the names of delinquent filers, nor shall the candidates for State office, county office, State Senator, and State Representative be otherwise penalized for delinquently filing a disclosure.

* * * Safety Protections for Candidates * * *

Sec. 6. 17 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

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

(A) Expenditures may include those expenses that are necessary to allow a candidate to campaign, such as expenses for the care of a dependent family member that are incurred as a direct result of campaign activity or for the provision of monitoring systems, protective detail, and cybersecurity related to a candidate's security.

* * *

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: "An act relating to voter protections"

UNFINISHED BUSINESS OF THURSDAY, MAY 7, 2026

Second Reading

Favorable with Proposal of Amendment

H. 660.

An act relating to fiscal year 2027 Opioid Abatement Special Fund appropriations.

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

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

* * * Opioid Abatement Special Fund * * *

Sec. 1. APPROPRIATIONS; OPIOID ABATEMENT SPECIAL FUND

(a) In fiscal year 2027, the following sums shall be appropriated from the Opioid Abatement Special Fund established in 18 V.S.A. § 4774:

(1)(A) $455,000.00 to the Department of Health to fund 26 outreach or case management staff positions within the preferred provider network for the provision of services that increase the motivation of and engagement with individuals with substance use disorder in settings such as police barracks, shelters, social service organizations, and elsewhere in the community.

(B) It is the intent of the General Assembly that these positions shall be funded annually by the Opioid Abatement Special Fund unless and until the Special Fund does not have sufficient monies to fund this expenditure.

(2)(A) $1,600,000.00 to the Department of Health for recovery residences certified by the Vermont Alliance for Recovery Residences.

(B) It is the intent of the General Assembly that recovery residences be funded annually by the Opioid Abatement Special Fund unless and until the Special Fund does not have sufficient monies to fund this expenditure.

(3)(A) $850,000.00 to the Department of Health for syringe services.

(B) It is the intent of the General Assembly that syringe services be funded annually by the Opioid Abatement Special Fund unless and until the Special Fund does not have sufficient monies to fund this expenditure.

(4) $1,100,000.00 to the Department of Corrections to provide peer recovery center coaches in Vermont correctional facilities and in probation and parole offices to provide group and individual coaching and reentry support, which shall not be used to cover administrative expenses.

(5) $250,000.00 to the Department for Children and Families' Office of Economic Opportunity to support long-term programs at shelters for individuals experiencing homelessness, including harm-reduction supports, transportation to recovery meetings and appointments, and clinical nursing programs.

(6)(A) $600,000.00 to the Department of Health for the creation of new recovery residence beds at National Alliance for Recovery Residences (NARR) certification level III or above.

(B) $600,000.00 to the Department of Health for opioid use disorder residential treatment beds at American Society of Addiction Medicine level 3.1.

(7) $248,000.00 to the Department of Health for the Prehospital Vermont EMS Buprenorphine Treatment (PREVENT) Program to expand training for emergency service providers on carrying buprenorphine and administering buprenorphine after administering naloxone.

(8) $35,000.00 to the Department of Health to subsidize room and board for individuals in Rutland Mental Health Services' transitional housing program.

(9) $237,646.00 to the Department of Health for distribution to Springfield Project ACTION to support public safety enhancement team coordinator positions in Bennington, Springfield, Brattleboro, St. Johnsbury, and central Vermont for the purposes of providing administrative support, meeting facilitation, data tracking, outreach event coordination, and sustainability planning.

(10) $800,000.00 to the Department of Health for distribution to recovery centers.

(11) $287,000.00 to the Department of Public Safety to provide funding for expanding the Public Safety Enhancement Team's harm reduction and strategic community intervention efforts.

(12)(A) $1,100,000.00 to the Department of Health for the purpose of awarding grants to the City of Burlington to establish an overdose prevention center, provided, however, that the Department shall not distribute funding until a location for the overdose prevention center has been procured by lease or purchase, the overdose prevention center is being fit up for its intended use, and the overdose prevention center is currently or will imminently become operational.

(B) It is the intent of the General Assembly to continue to appropriate funds annually from the Opioid Abatement Special Fund through at least fiscal year 2028 for the purpose of awarding grants to the City of Burlington for the operation of the overdose prevention center, unless and until the Special Fund does not have sufficient monies to fund this expenditure.

(b) Notwithstanding 32 V.S.A. § 703, unless reverted by a future act of the General Assembly, the appropriations made in accordance with this section shall carry forward until fully expended.

Sec. 2. 2023 Acts and Resolves No. 22, Sec. 14, as amended by 2024 Acts and Resolves No. 113, Sec. C.112, is further amended to read:

Sec. 14. APPROPRIATION; OPIOID ABATEMENT SPECIAL FUND

In fiscal year 2023, the following monies shall be appropriated from the Opioid Abatement Special Fund pursuant to 18 V.S.A. § 4774:

(1)(A) $1,500,000 ~~divided equally between four opioid treatment programs~~ to cover costs associated with partnering with other health care providers to expand satellite locations for the dosing of medications, including costs associated with the satellite locations' physical facilities, staff time at the satellite locations, and staff time at opioid treatment programs to prepare medications and coordinate with satellite locations;

(B) the satellite locations established pursuant to this subdivision (1) shall be located in Addison County~~,~~ and eastern or southern Vermont~~, and in a facility operated by the Department of Corrections~~;

(2) $500,000 to establish a ~~second Chittenden Clinic Addiction Treatment Center~~ satellite location in northwestern Vermont;

* * *

Sec. 3. 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(c) Powers and duties. The Advisory Committee shall demonstrate broad ongoing consultation with individuals living with opioid use disorder about their direct experience with related systems, including medication for opioid use disorder, residential treatment, recovery services, harm reduction services, overdose, supervision by the Department of Corrections, and involvement with the Department for Children and Families' Family Services Division. To that end, the Advisory Committee shall demonstrate consultation with individuals with direct lived experience of opioid use disorder, frontline support professionals, the Substance Misuse Oversight Prevention and Advisory Council, the Health Equity Advisory Commission, and other stakeholders to identify spending priorities as related to opioid use disorder prevention, intervention, treatment, and recovery services and harm reduction strategies for the purpose of providing recommendations to the Governor, the Department of Health, and the General Assembly on prioritizing spending from the Opioid Abatement Special Fund. Each ongoing funding proposal considered by the Advisory Committee shall include a sustainability plan from the applicant to ensure consideration of future expenses and available resources apart from the Opioid Abatement Special Fund. The Advisory Committee shall consider:

(1) the impact of the opioid crisis on communities throughout Vermont, including communities' abatement needs and proposals for abatement strategies and responses;

(2) the perspectives of and proposals from opioid use disorder prevention coalitions, recovery centers, and medication for opioid use disorder providers; and

(3) the ongoing challenges of the opioid crisis on marginalized populations, including individuals who have a lived experience of opioid use disorder.

* * *

Sec. 4. APPROPRIATION REVIEW; FISCAL YEAR 2028 PROPOSAL SUSPENSION

The Opioid Settlement Advisory Committee shall not accept funding proposals from the Opioid Abatement Special Fund for fiscal year 2028, unless a proposal was previously identified in statute as intended for annual funding. It instead shall review the outcomes of programs and initiatives

previously funded through the Opioid Abatement Special Fund to assess effectiveness, long-term sustainability, and the appropriateness of the Opioid Abatement Special Fund as a funding source, where applicable. If funds are available after making fiscal year 2028 appropriations recommendations for previously funded programs and initiatives, the Opioid Settlement Advisory Committee shall identify specific areas of focus and shall make funding recommendations within those areas based on needs assessments and statewide data rather than requesting new proposals.

Sec. 5. QUARTERLY REPORTING; EXPENDITURE OF OPIOID ABATEMENT SPECIAL FUND MONIES

The Department of Health shall submit to the General Assembly quarterly reports regarding expenditures from the Opioid Abatement Special Fund. Specifically, the reports shall identify funds appropriated from the Special Fund that remain unobligated or unspent, or both, and shall include an explanation as to why the funds have not been fully distributed. Reports due on October 1, 2026, and July 1, 2027, shall be submitted to the Joint Fiscal Committee. Reports due on January 1, 2027, and April 1, 2027, shall be submitted to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare. The Department shall post reports required pursuant to this section on its website.

Sec. 6. REVERSIONS

Notwithstanding any provision of law to the contrary, in fiscal year 2027, the following amounts shall revert to the Opioid Abatement Special Fund from the accounts indicated:

3420892313	VDH-Opioid Sp. Fund Prov Satellites	$444,000.00
3420892313	VDH-Opioid Sp. Fund Wound Care	$8,287.34
3420892501	VDH-Opioid Sp. Fund Stabilization Beds	$1,000,000.00

* * * Substance Misuse Prevention Special Fund * * *

Sec. 7. APPROPRIATIONS; SUBSTANCE MISUSE PREVENTION SPECIAL FUND

In fiscal year 2027, the following monies shall be appropriated from the Substance Misuse Prevention Special Fund established pursuant to 18 V.S.A. § 4812:

(1) $288,935.00 to the Department of Health for distribution to Elevate Youth Services to support the creation of a low-barrier, drop-in teen center in

Barre to provide food, activities, positive adults role models, peer counselors, prevention and recovery programming, and direct connection to treatments;

(2) $124,999.00 to the Department of Health for distribution to the Greater Falls Connections to enhance youth engagement and education and to expand prevention-focused staffing and youth programming space in response to increasing community need;

(3) $200,000.00 to the Department of Health for distribution to Interaction: Friends for Change to increase access to community-based therapy, housing, crisis, medical, recovery, and employment supports for youth in Windham County; and

(4) $26,697.00 to the Department of Health for distribution to Winooski Partnership for Prevention to provide funding for staff time and stipends for partners to deliver medicine safety education to elementary-aged youth during school with family engagement.

Sec. 8. 18 V.S.A. § 4812 is amended to read:

§ 4812. SUBSTANCE MISUSE PREVENTION SPECIAL FUND

* * *

(e) As part of its annual budget presentation, the Department shall report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare on its specific spending proposal from the Substance Misuse Prevention Special Fund for the coming fiscal year. The report shall include an estimate of the monies in the Special Fund anticipated to remain unallocated at the end of the fiscal year.

* * * Effective Date * * *

Sec. 9. 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 fiscal year 2027 Opioid Abatement Special Fund and Substance Misuse Prevention Special Fund appropriations"

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 19, 2026, pages 3409-3418)

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

The Committee recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Health and Welfare, with further recommendation of proposals of amendment thereto:

First: By striking out Sec. 3, 18 V.S.A. § 4772, in its entirety and inserting a new Sec. 3 to read as follows:

Sec. 3. 18 V.S.A. § 4772 is amended to read:

§ 4772. OPIOID SETTLEMENT ADVISORY COMMITTEE

* * *

(c) Powers and duties. The Advisory Committee shall demonstrate broad ongoing consultation with individuals living with opioid use disorder about their direct experience with related systems, including medication for opioid use disorder, residential treatment, recovery services, harm reduction services, overdose, supervision by the Department of Corrections, and involvement with the Department for Children and Families' Family Services Division. To that end, the Advisory Committee shall demonstrate consultation with individuals with direct lived experience of opioid use disorder, frontline support professionals, the Substance Misuse Oversight Prevention and Advisory Council, the Health Equity Advisory Commission, and other stakeholders to identify spending priorities as related to opioid use disorder prevention, intervention, treatment, and recovery services and harm reduction strategies for the purpose of providing recommendations to the Governor, the Department of Health, and the General Assembly on prioritizing spending from the Opioid Abatement Special Fund. Each ongoing funding proposal considered by the Advisory Committee shall include a sustainability plan from the applicant to ensure consideration of future expenses and available resources apart from the Opioid Abatement Special Fund. The Advisory Committee shall consider:

(1) the impact of the opioid crisis on communities throughout Vermont, including communities' abatement needs and proposals for abatement strategies and responses;

(2) the perspectives of and proposals from opioid use disorder prevention coalitions, recovery centers, and medication for opioid use disorder providers; and

(3) the ongoing challenges of the opioid crisis on marginalized populations, including individuals who have a lived experience of opioid use disorder.

* * *

(e) ~~Presentation~~ Recommendations.

(1) Annually, the Advisory Committee shall vote on its recommendations. Recommendations shall be informed by outcomes and measurements reported by previous grantees and developed in consultation with the Office of the Attorney General. If the recommendations are supported by an affirmative vote of the majority, the Advisory Committee shall present its recommendations for expenditures from the Opioid Abatement Special Fund established pursuant to this subchapter to the Department of Health and concurrently submit its recommendations in writing to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare. The Advisory Committee's written recommendations shall address how each recommendation meets one or more of the criteria listed in subsections 4774(b) and (c) of this subchapter. The Advisory Committee shall give priority consideration to services requiring funding on an ongoing basis.

(2) If the Department does not agree with the recommendations of the Advisory Committee, it may separately submit its own recommendations, developed in consultation with the Office of the Attorney General, to the General Assembly.

* * *

Second: By inserting a new section to be Sec. 3a to read as follows:

Sec. 3a. 18 V.S.A. § 4774 is amended to read:

§ 4774. OPIOID ABATEMENT SPECIAL FUND

(a)(1) There is created the Opioid Abatement Special Fund, a special fund established and managed pursuant to 32 V.S.A. chapter 7, subchapter 5 and administered by the Department of Health. The Opioid Abatement Special Fund shall consist of all abatement account fund monies disbursed to the Department from the national abatement account fund, the national opioid abatement trust, the supplemental opioid abatement fund, or any other settlement funds that must be utilized exclusively for opioid prevention, intervention, treatment, recovery, ~~and~~ harm reduction services, co-occurring mental health conditions, and co-occurring substance use disorders.

* * *

(Committee vote: 6-1-0)

H. 944.

An act relating to the fiscal year 2027 Transportation Program and miscellaneous changes to laws related to transportation.

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

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

* * * Legislative Findings * * *

Sec. 1. LEGISLATIVE FINDINGS

The General Assembly finds that:

(1) State fiscal year 2025 Transportation Fund revenues came in nearly $7,400,000.00 below the revenue forecast.

(2) In July 2025, the revenue forecast for the Transportation Fund was downgraded for State fiscal years 2026–2030 because of reductions in the projected revenues from the purchase and use tax and Department of Motor Vehicles fees.

(3) Revenues from the taxes on gasoline and diesel fuel are projected to gradually decrease in State fiscal years 2026–2030. That trend is expected to continue because of improving vehicle fuel efficiency among all vehicles and increasing adoption of electric vehicles.

(4) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030, which is far below recent inflation levels.

(5) In contrast with the slow growth in Transportation Fund revenues, the National Highway Construction Cost Index increased by approximately 62 percent between 2020 and 2025.

(6) In addition to rising construction costs, salaries and benefits have also increased significantly in recent years, creating significant ongoing cost pressure on the Transportation Fund.

(7) To address budget shortfalls in the past year, the Agency has been forced to eliminate 62 permanent positions.

(8) Continuing deficits in the Transportation Fund threaten the State's ability to provide the required match for federal funds, which make up more than half of the State's annual transportation budget.

(9) Municipalities face the same cost pressures as the State. However, State aid for town highways has only increased by 2.7 percent, which places increasing pressure on chronically underfunded town highway programs and puts pressure on the property tax.

(10) If Vermont is unable to keep up with the maintenance and capital needs of its transportation system, the infrastructure will continue to deteriorate, and restoring the system to a state of good repair will cost significantly more.

(11) Prompt legislative action is necessary to ensure the future health and stability of the Transportation Fund and to enable the Agency of Transportation to keep Vermont's transportation system in a state of good repair.

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 2. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2027 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) Definitions. As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and for which construction funding is not anticipated within a predictable time frame.

(3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

(4) "Electric vehicle supply equipment (EVSE)" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

(5) "Front-of-book project" means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(6) "Plug-in electric vehicle (PEV)," "plug-in hybrid electric vehicle (PHEV)," and "battery electric vehicle (BEV)" have the same meanings as in 23 V.S.A. § 4(85).

(7) "Secretary" means the Secretary of Transportation.

(8) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(9) The table heading "As Proposed" means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; the term "change" or "changes" in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading; and "State" in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

* * * Summary of Transportation Investments * * *

Sec. 3. FISCAL YEAR 2027 TRANSPORTATION INVESTMENTS INTENDED TO REDUCE TRANSPORTATION-RELATED GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2027 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2027, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of $1,976,211.00, which will fund three park and ride projects.

(2) Bike and Pedestrian Facilities Program. This act provides for a fiscal year expenditure, including local match, of $24,576,873.00, which will fund 34 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; and eight scoping studies. The construction projects include the creation, improvement, and rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Bethel, Brattleboro, Burke, Burlington, Castleton,

Chester, Danville, Essex Town, Fairfax, Greensboro, Guilford, Hartford, Huntington, Hyde Park, Irasburg, Jamaica, Johnson, Lunenburg, Middlebury, Montpelier, Moretown, Morristown, Newfane, Newport City, Northfield, Pownal, Royalton, Rutland City, Rutland Town, Sheldon, South Burlington, Springfield, St. Albans City, Swanton, Wallingford, Warren, Waterbury, West Rutland, Williston, Wilmington, and Wolcott. This act also provides funding for:

(A) some of Local Motion's operation costs to run the bike ferry on the Colchester Causeway, which is part of the Island Line Trail;

(B) grant awards for State-aid construction projects;

(C) projects funded through the Safe Routes to School Program; and

(D) community grants along the Lamoille Valley Rail Trail (LVRT).

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of $4,514,362.00, including local funds, which will fund 22 transportation alternatives construction projects; 28 transportation alternatives design, right-of-way, or design and right-of-way projects; and one scoping study. Of these 51 projects, 18 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 30 involve bicycle and pedestrian facilities. Projects are funded in Athens, Bennington, Bethel, Brandon, Brattleboro, Bristol, Burke, Burlington, Derby, Enosburg Falls, Fairlee, Ferrisburgh, Glover, Guilford, Hinesburg, Hyde Park, Jericho, Londonderry, Ludlow, Lyndon, Montgomery, Newark, Putney, Rockingham, Rutland City, Shoreham, South Burlington, Springfield, Swanton, Warren, Weathersfield, Williston, Wilmington, and Windham.

(4) Public Transit Program. This act provides for a fiscal year expenditure of $57,855,144.00 for public transit uses throughout the State. Included in the authorization are:

(A) Go! Vermont, with an authorization of $380,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of $315,000.00 in federal funds. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(5) Rail Program. This act provides for a fiscal year expenditure of $60,289,410.00, including local funds and $34,688,907.00 in federal funds, for intercity passenger rail service, including funding for the Ethan Allen Express and Vermonter Amtrak services, and rail infrastructure that supports freight rail as well. Moving freight by rail instead of trucks lowers greenhouse gas emissions by up to 75 percent, on average.

* * * Paving * * *

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending is amended as follows:

FY27	As Proposed	As Amended	Change
Other	1,150,000	1,150,000	0
PE	2,183,194	2,183,194	0
Const.	144,812,226	146,512,226	1,700,000
Total	148,145,420	149,845,420	1,700,000
Sources of funds			
State	24,400,007	25,100,007	1,700,000
Federal	123,732,179	123,732,179	0
Local	13,235	13,235	0
Total	148,145,420	149,845,420	1,700,000

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, authorized spending for STATEWIDE District Leveling TBD is amended as follows:

FY27	As Proposed	As Amended	Change
Const.	7,000,000	8,700,000	1,700,000
Total	7,000,000	8,700,000	1,700,000
Sources of funds			
State	7,000,000	8,700,000	1,700,000
Total	7,000,000	8,700,000	1,700,000

(c) It is the intent of the General Assembly to direct the maximum amount of funding to the State highway system. Consistent with this intent, within the

Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for Paving, any unobligated amounts or carryforward resulting from project delays or cost overruns or underruns shall be directed to State highway paving projects.

* * * State Highway Bridges * * *

Sec. 5. STATE HIGHWAY BRIDGES

(a) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending is amended as follows:

FY27	As Proposed	As Amended	Change
PE	4,143,897	4,143,897	0
ROW	414,000	414,000	0
Const.	78,935,408	78,935,408	0
Other	1,400,000	1,400,000	0
Total	84,893,305	84,893,305	0
Sources of funds			
State	2,873,295	1,123,295	-1,750,000
TIB	6,180,851	7,930,851	1,750,000
Federal	67,312,444	67,312,444	0
Local/Other	1,247,049	1,247,049	0
Inter Unit	7,279,666	7,279,666	0
Total	84,893,305	84,893,305	0

(b) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SHAFTSBURY STP 014-1(6) is amended as follows:

FY27	As Proposed	As Amended	Change
PE	14,678	14,678	0
Const.	2,600,000	2,600,000	0
Total	2,614,678	2,614,678	0
Sources of funds			
State	521,000	0	-521,000

TIB	1,936	522,936	521,000
Federal	2,091,742	2,091,742	0
Total	2,614,678	2,614,678	0

(c) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND BM20102 is amended as follows:

FY27	As Proposed	As Amended	Change
PE	85,287	85,287	0
Const.	2,000,000	2,000,000	0
Total	2,085,287	2,085,287	0
Sources of funds			
State	415,057	0	-415,057
TIB	2,000	417,057	415,057
Federal	1,668,230	1,668,230	0
Total	2,085,287	2,085,287	0

(d) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for SUNDERLAND NH CULV 122 is amended as follows:

FY27	As Proposed	As Amended	Change
PE	53,182	53,182	0
Const.	2,000,000	2,000,000	0
Total	2,053,182	2,053,182	0
Sources of funds			
State	408,636	141,686	-266,950
TIB	2,000	268,950	266,950
Federal	1,642,546	1,642,546	0
Total	2,053,182	2,053,182	0

(e) Within the Agency of Transportation's Proposed Fiscal Year 2027 Transportation Program for State Highway Bridges, authorized spending for TOPSHAM BF 031-1(13) is amended as follows:

FY27	As Proposed	As Amended	Change
PE	10,000	10,000	0
ROW	1,000	1,000	0
Const.	2,733,967	2,733,967	0
Total	2,744,967	2,744,967	0
Sources of funds			
State	546,993	0	-546,993
TIB	2,000	548,993	546,993
Federal	2,195,974	2,195,974	0
Total	2,744,967	2,744,967	0

* * * Funding for Municipal Grant Programs * * *

Sec. 6. 32 V.S.A. § 3709 is amended to read:

§ 3709. PILOT SPECIAL FUND

(a) There is hereby established a PILOT Special Fund consisting of local option tax revenues paid to the State Treasurer pursuant to 24 V.S.A. § 138. This Fund shall be managed by the Commissioner of Taxes pursuant to chapter 7, subchapter 5 of this title. Notwithstanding subdivision 588(3) of this title, all interest earned on the Fund shall be retained in the Fund for use in meeting future obligations. The Fund shall be exclusively for payments required under ~~chapter 123,~~ subchapters 4 and 4C of this ~~title~~ chapter, ~~and~~ for any additional State payments in lieu of taxes for correctional facilities, and as provided in subsection (c) of this section. The Commissioner of Finance and Management may draw warrants for disbursements from this Fund in anticipation of receipts.

* * *

(c) If the local option tax revenues deposited in the PILOT Special Fund pursuant to 24 V.S.A. § 138 in any State fiscal year exceed the full amount of all payments made under subchapters 4 and 4C of this chapter plus any additional State payments in lieu of taxes for correctional facilities and any amounts appropriated from the PILOT Special Fund to the Department of Taxes for expenses related to grand list and appraisal assistance, three-fourths of the excess amount shall be transferred to the Local Option Municipal Transportation Special Fund established pursuant to 19 V.S.A. § 306b.

Sec. 7. 19 V.S.A. § 306b is added to read:

§ 306b. LOCAL OPTION MUNICIPAL TRANSPORTATION SPECIAL FUND

(a) The Local Option Municipal Transportation Special Fund is established in the Agency of Transportation and shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. The purpose of the Fund is to provide additional State aid for town highways pursuant to the provisions of section 306 of this chapter.

(b) The Fund shall consist of:

(1) transfers from the PILOT Special Fund pursuant to 32 V.S.A. § 3709(c);

(2) any gifts, grants, or contributions made to the Fund; and

(3) any amounts transferred to the Fund by the General Assembly.

(c)(1) All interest earned on Fund balances shall be credited to the Fund.

(2) The Secretary may seek and accept gifts, donations, and grants from any source, public or private, to be dedicated for deposit into the Fund.

(3) The Commissioner of Finance and Management shall anticipate receipts to the Fund and shall issue warrants based on the anticipated amounts.

(4)(A) Monies in the Fund shall be used solely to provide State aid to municipalities pursuant to subsections 306(a), (e), and (h) of this chapter and for any administrative costs incurred in administering the Fund.

(B) Notwithstanding any provision of subsections 306(a), (e), and (h) of this chapter to the contrary, the aggregate amount of monies appropriated from the Fund pursuant to those subsections in any given State fiscal year shall not exceed 95 percent of the anticipated receipts to the Fund for that fiscal year.

Sec. 8. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

(a) General State aid to town highways.

(1) An annual appropriation to class 1, 2, and 3 town highways shall be made. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(3) The funds appropriated shall be distributed to towns as follows:

(A) Six percent of the State's annual town highway appropriation shall be apportioned to class 1 town highways. The apportionment for each town shall be that town's percentage of class 1 town highways of the total class 1 town highway mileage in the State.

(B) Forty-four percent of the State's annual town highway appropriation shall be apportioned to class 2 town highways. The apportionment for each town shall be that town's percentage of class 2 town highways of the total class 2 town highway mileage in the State.

(C) Fifty percent of the State's annual town highway appropriation shall be apportioned to class 3 town highways. The apportionment for each town shall be that town's percentage of class 3 town highways of the total class 3 town highway mileage in the State.

(D) Monies apportioned under subdivisions (1), (2), and (3) of this subsection (a) shall be distributed to each town in quarterly payments beginning July 15 in each year.

(E) Each town shall use the monies apportioned to it solely for town highway construction, improvement, and maintenance purposes or as the nonfederal share for public transit assistance. These funds may also be used for the establishment and maintenance of bicycle routes and sidewalks. The members of the selectboard shall be personally liable to the State, in a civil action brought by the Attorney General, for making any unauthorized expenditures from money apportioned to the town under this section.

(4)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (a), a portion of the anticipated annual revenue of the Local Option Municipal Transportation Special Fund may be appropriated for class 1, 2, and 3 town highways in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated from the Fund shall be apportioned, distributed, and used in the same manner as provided pursuant to subdivision (3) of this subsection (a).

(B) Amounts appropriated pursuant to this subdivision (4) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (a) or be subject to the annual inflationary adjustment provided for in subdivisions (1) and (2) of this subsection (a).

* * *

(e) State aid for town highway structures.

(1) There shall be an annual appropriation for grants to municipalities for maintenance ~~(~~, including actions to extend life expectancy~~)~~, and for construction of bridges and culverts; for maintenance and construction of other structures, including causeways and retaining walls, intended to preserve the integrity of the traveled portion of class 1, 2, and 3 town highways; and for alternatives that eliminate the need for a bridge, culvert, or other structure, such as the construction or reconstruction of a highway, the purchase of parcels of land that would be landlocked by closure of a bridge, the payment of damages for loss of highway access, and the substitution of other means of access. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(5) Funds received as grants for State aid for town highway structures may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

(6)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (e), a portion of the anticipated annual revenue of the Local Option Municipal Transportation Special Fund may be appropriated for town highway structures in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated from the Fund shall be used in the same manner and for the same purposes as provided pursuant to subdivisions (1) and (5) of this subsection (e).

(B) Amounts appropriated pursuant to this subdivision (6) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (e) or be subject to the annual inflationary adjustment provided for in subdivisions (1)–(3) of this subsection (e).

* * *

(h) Class 2 Town Highway Roadway Program.

(1) There shall be an annual appropriation for grants to municipalities for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2 town highways. Municipalities that have no State highways or class 1 town highways within their borders may use the grants for such activities with respect to both class 2 and class 3 town highways. This appropriation shall increase over the previous fiscal year's appropriation by the same percentage

change as the following, whichever is less, or shall remain at the previous fiscal year's appropriation if either of the following are negative or zero:

* * *

(4) In a given fiscal year, should expenditures in the Class 2 Town Highway Roadway Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects.

(5) Funds received as grants for State aid under the Class 2 Town Highway Roadway Program may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

(6)(A) In addition to the amounts appropriated pursuant to subdivision (1) of this subsection (h), a portion of the anticipated annual revenue of the Local Option Municipal Transportation Special Fund may be appropriated for town highway structures in each State fiscal year in an amount that is consistent with the provisions of subdivision 306b(c)(4) of this chapter. Amounts appropriated from the Fund shall be used in the same manner and for the same purposes as provided pursuant to subdivisions (1) and (5) of this subsection (h).

(B) Amounts appropriated pursuant to this subdivision (6) shall be supplemental to and shall not supplant or decrease the amount appropriated pursuant to subdivision (1) of this subsection (h) or be subject to the annual inflationary adjustment provided for in subdivisions (1)–(3) of this subsection (h).

* * *

Sec. 9. GENERAL STATE AID FOR TOWN HIGHWAYS; ADDITIONAL APPROPRIATION

Notwithstanding any provision of 32 V.S.A. § 3709(a) to the contrary, the sum of $3,000,000.00 is appropriated in State fiscal year 2027 from the PILOT Special Fund to the Agency of Transportation to provide additional grants through the general State aid to town highways program pursuant to 19 V.S.A. § 306(a). The amounts appropriated pursuant to this section shall be supplemental to and shall not supplant or decrease any amounts appropriated pursuant to the provisions of 19 V.S.A. § 306(a) in State fiscal year 2027.

* * * Transfer from General Fund * * *

Sec. 10. TRANSFER

In State fiscal year 2027, the amount of $10,400,000.00 is transferred from the General Fund to the Transportation Fund.

* * * Allocation of Purchase and Use Tax Revenues * * *

Sec. 11. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

* * *

(5) ~~one-third of the revenues raised from the purchase and use tax imposed by 32 V.S.A. chapter 219,~~ notwithstanding 19 V.S.A. § 11(1), the amount received from the purchase and use tax imposed pursuant to 32 V.S.A. chapter 219 as follows: $43,500,000.00 for the fiscal year beginning on July 1, 2027; $33,500,000.00 for the fiscal year beginning on July 1, 2028; $23,500,000.00 for the fiscal year beginning on July 1, 2029; and $13,500,000.00 for the fiscal year beginning on July 1, 2030;

* * *

Sec. 12. 16 V.S.A. § 4025 is amended to read:

§ 4025. EDUCATION FUND

(a) The Education Fund is established to comprise the following:

* * *

(5) ~~notwithstanding 19 V.S.A. § 11(1), the amount received from the purchase and use tax imposed pursuant to 32 V.S.A. chapter 219 as follows: $43,500,000.00 for the fiscal year beginning on July 1, 2027; $33,500,000.00 for the fiscal year beginning on July 1, 2028; $23,500,000.00 for the fiscal year beginning on July 1, 2029; and $13,500,000.00 for the fiscal year beginning on July 1, 2030;~~ [Repealed.]

* * *

* * * Authority to Issue Transportation Infrastructure Bonds * * *

Sec. 13. AUTHORITY TO ISSUE TRANSPORTATION INFRASTRUCTURE BONDS; FISCAL YEARS 2028–2032

(a) The State Treasurer is authorized to issue transportation infrastructure bonds pursuant to 32 V.S.A. § 972 for State fiscal years 2028–2032 in an amount approved by the General Assembly.

(b) For State fiscal years 2028–2032, the Capital Debt Affordability Advisory Committee (CDAAC) shall annually report to the House and Senate

Committees on Transportation on or before September 30 of the preceding fiscal year an estimate of the maximum amount of transportation infrastructure bonds that prudently may be authorized for the next fiscal year.

(c) The Treasurer, in consultation with the CDAAC, shall review annually any requested issuance of transportation infrastructure bonds pursuant to 32 V.S.A. § 1001 as part of its net State tax-supported debt analysis provided to the Governor and the General Assembly.

Sec. 14. 2028 PROPOSED TRANSPORTATION PROGRAM; TRANSPORTATION INFRASTRUCTURE BOND PROPOSAL; REPORT

(a) The Agency of Transportation shall, when preparing the 2028 Transportation Program, prepare both:

(1) a Transportation Program proposal that includes the use of transportation infrastructure bond proceeds to fund eligible projects pursuant to 32 V.S.A. § 972(d); and

(2) a Transportation Program proposal that does not include the use of transportation infrastructure bond proceeds.

(b)(1) The Agency of Transportation shall, in consultation with the State Treasurer and at the same time as the Agency submits the proposed State fiscal year 2028 Transportation Program to the General Assembly, submit a written report to the House and Senate Committees on Transportation that identifies projects proposed for the State fiscal year 2028 Transportation Program that are eligible to be funded with the proceeds from the issuance of transportation infrastructure bonds pursuant to the provisions of 32 V.S.A. § 972(d).

(2) The report shall include:

(A) an analysis comparing the present value of the estimated cost to pay for the identified projects using transportation infrastructure bond proceeds to the cost to pay for the projects on a pay-as-you-go basis; and

(B) a comparison of the projects' schedules if funded with transportation infrastructure bonds to the projects' schedules if funded on a pay-as-you-go basis.

* * * Mileage-Based User Fee * * *

Sec. 15. FINDINGS AND INTENT

(a) Findings. The General Assembly finds that:

(1) Vermont adopted its first tax on gasoline in 1923.

(2) In 1923, the most common motor vehicle in the Unites States was the Ford Model T, whose annual production peaked at more than 2,000,000 new vehicles that year.

(3) Because of the limited variety of mass-produced vehicles available when it was adopted, the gasoline tax, and the later-adopted diesel fuel tax, served as use fees that required drivers of light-duty motor vehicles to contribute to the State's Transportation Fund in an amount that reflected the amount of miles that each vehicle was driven on Vermont's surface transportation system.

(4) Since 1923, the variety of mass-produced light-duty motor vehicles available to consumers has expanded greatly, resulting in a wide variety of internal combustion engine and vehicle types and designs with significant differences in vehicle fuel efficiency.

(5) Improvements in fuel efficiency among light-duty motor vehicles and the increasing adoption of hybrid, plug-in hybrid, and battery electric vehicles (BEVs) is leading to reduced fuel consumption among newer vehicles.

(6) BEVs do not require gasoline and diesel fuel, and the $89.00 annual infrastructure fee paid by owners and lessees of BEVs registered in Vermont is less than the average amount of fuel taxes collected in relation to a light-duty motor vehicle with an internal combustion engine.

(7) As a result of differences in fuel consumption between different types and ages of light-duty motor vehicles, the current system for funding Vermont's surface transportation system through fuel taxes has become inequitable when the impacts of each vehicle on the transportation system are considered.

(8) In contrast to the current system, a mileage-based user fee imposes a per-mile fee for usage of the State's highways and ensures that owners and lessees of motor vehicles contribute to the Transportation Fund in an equitable manner.

(9) Vermont's taxes on gasoline and on diesel fuel were last increased in 2014, and the federal taxes on gasoline and on diesel fuel were last increased in 1993.

(10) Reduced fuel consumption and unchanged gasoline and diesel tax rates have resulted in stagnant fuel tax revenues that have not kept pace with inflation or the needs of Vermont's transportation system.

(11) In addition to Vermont's stagnant fuel tax revenues, Vermont's demographic constraints and changes in vehicle ownership and usage have limited the growth of fee revenues to the Transportation Fund.

(12) The July 2025 consensus revenue forecast estimates a 1.33 percent compound annual growth rate in Transportation Fund revenues between 2026 and 2030.

(13) In comparison, highway construction costs, as measured by the National Highway Construction Cost Index, have increased by 62 percent, nationally, since 2020.

(b) Intent. It is the intent of the General Assembly to:

(1) implement a mileage-based user fee for BEVs, which will replace the existing infrastructure fee beginning on January 1, 2027, to ensure that owners and lessees of BEVs contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle;

(2) ensure that owners and lessees of all light-duty motor vehicles contribute to the Transportation Fund in an amount that reflects the annual miles traveled by each vehicle by expanding the mileage-based user fee to fuel-efficient light-duty motor vehicles, such as plug-in hybrids, hybrids, and vehicles with efficient internal combustion engines on or before January 1, 2029, and to all light-duty motor vehicles on or before January 1, 2031; and

(3) develop and implement the mileage-based user fee in a manner that does not discourage ownership and use of BEVs and fuel-efficient vehicles, consistent with the intent of the Global Warming Solutions Act and the State's Climate Action Plan.

Sec. 16. 23 V.S.A. chapter 43 is added to read:

CHAPTER 43. MILEAGE-BASED USER FEE

§ 4301. DEFINITIONS

As used in this chapter:

(1) "Account manager" means a person that the Agency of Transportation or Department of Motor Vehicles contracts with to administer and manage the mileage-based user fee.

(2) "Annual vehicle miles traveled" means the total number of miles that a covered vehicle is driven during a mileage reporting period.

(3) “Covered vehicle” means a battery electric vehicle pleasure car.

(4) “Mileage-based user fee” or “MBUF” means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

(5) “Mileage-based user fee rate” means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

(6) “Mileage reporting period” means:

(A) the time period between required annual inspections;

(B) the time period between an initial odometer reading related to the purchase of a covered vehicle or beginning of a lease of a covered vehicle and an annual inspection; or

(C) the time period between the most recent annual inspection and a terminating event.

(7) “Terminating event” means any of the following:

(A) the registration of a covered vehicle that had been registered in Vermont in a different state;

(B) a change in ownership or lesseeship of a covered vehicle; or

(C) the termination of a covered vehicle’s registration in Vermont.

§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION; PAYMENT; EXEMPTIONS

(a) Assessment and payment of mileage-based user fee (MBUF).

(1) Options for payment of MBUF. The owner or lessee of a covered vehicle may elect to pay the MBUF according to one of the following options:

(A) annual payment of the MBUF as a lump sum following the conclusion of each mileage reporting period as set forth in subdivision (2) of this subsection (a);

(B) pay-as-you-go installment payments of the MBUF during a mileage reporting period as set forth in subdivision (3) of this subsection (a), provided that the Commissioner, in the Commissioner’s sole discretion, elects to make a pay-as-you-go option available;

(C) estimated payments of the MBUF in annual, quarterly, or monthly installments as set forth in subdivision (4) of this subsection (a); or

(D) a flat rate of $178.00.

(2) Annual mileage-based user fee payment option.

(A) For an owner or lessee who opts to pay the MBUF as a lump sum at the end of each mileage reporting period, the Commissioner shall, within 14 days after the conclusion of the covered vehicle's mileage reporting period, calculate the amount of the MBUF pursuant to subsection (d) of this section and mail an assessment of the amount to the owner or lessee.

(B) The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:

(i) the next required registration renewal for the covered vehicle;

(ii) the termination of the covered vehicle's Vermont registration; or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(3) Pay-as-you-go option.

(A) Owners and lessees who opt into the pay-as-you-go mileage-based user fee option shall report the mileage shown on the odometer of the owner's or lessee's covered vehicle at times and in a manner required by the Commissioner.

(B) As soon as practicable after receiving each report, the Commissioner shall calculate pursuant to subsection (d) of this section the applicable MBUF due for the covered vehicle and mail to the owner or lessee a statement of the amount of the mileage-based user fee assessed.

(C) The owner or lessee of the covered vehicle shall remit the full amount due to the Commissioner within not more than 30 days after the assessment is mailed.

(D) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (5) of this subsection.

(4) Estimated payment option.

(A) An owner or lessee who elects to make estimated payments shall be assessed upon registration of the covered vehicle, or registration renewal, an estimated mileage-based user fee equal to the rate established pursuant to subsection (e) of this section multiplied by the average annual vehicle miles traveled by pleasure cars registered in Vermont.

(B) The owner or lessee shall either:

(i) pay the estimated MBUF as a lump sum not more than 45 days after the date of registration or registration renewal; or

(ii) enter into an agreement with the Commissioner to pay the estimated amount in monthly or quarterly installments.

(C) At the end of each mileage reporting period, the amount paid by the owner or lessee shall be reconciled against the actual mileage driven as set forth in subdivision (5) of this subsection.

(5) Reconciliation of mileage for pay-as-you-go and estimated payment options.

(A) At the conclusion of each mileage reporting period for a covered vehicle whose owner or lessee has elected either the pay-as-you-go or the estimated payment option, the Commissioner shall determine if the amount of the MBUF for the actual miles traveled by the covered vehicle during the mileage reporting period is greater than or less than the amount of the payments made by the owner or lessee during that period.

(B) If the actual MBUF is less than the amount paid, the owner or lessee of the covered vehicle shall receive a credit equal to the difference between the amount paid and the actual amount, which shall be applied to reduce the amount of future fees due from the owner or lessee for the covered vehicle pursuant to this subsection (a).

(C) If the actual MBUF is more than the amount paid, the owner or lessee of the covered vehicle shall be assessed an amount equal to the difference between the actual MBUF and the amount paid, which shall be added to the next amount due from the owner or lessee pursuant to this subsection (a).

(6) Flat-rate option.

(A) The Commissioner shall send an owner or lessee who elects the flat-rate option an assessment for the flat fee due at the conclusion of each mileage reporting period. The owner or lessee shall remit the amount due to the Commissioner on or before the sooner of:

(i) the next required registration renewal for the covered vehicle;

(ii) the termination of the covered vehicle's Vermont registration; or

(iii) the sale of the covered vehicle or termination of the lease of the covered vehicle, as appropriate.

(B) An owner or lessee enrolled in the flat-rate option shall not be required to report vehicle mileage to the Commissioner pursuant to the provisions of this chapter. Nothing in this subdivision (6)(B) shall be construed to exempt an owner or lessee enrolled in the flat-rate option from any other requirements in State law related to vehicle inspections or odometer disclosures.

(b) Newly registered vehicles. The owner or lessee of a newly registered covered vehicle shall pay the MBUF during the initial year of registration pursuant to:

(1) the pay-as-you-go option set forth in subdivision (a)(3) of this section;

(2) the estimated payment option set forth in subdivision (a)(4) of this section; or

(3) the flat-rate option set forth in subdivision (a)(6) of this section.

(c) Election of different payment option. An owner or lessee of a covered vehicle may select a different option for payment of the MBUF pursuant to subsection (a) of this section by providing notice to the Commissioner in the time and manner prescribed by the Commissioner.

(d) Calculation of the mileage-based user fee.

(1) The Commissioner shall calculate the mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to subsection (e) of this section. The number of miles traveled shall be equal to:

(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and

(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.

(2) Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed $178.00.

(e) Mileage-based user fee rate. The mileage-based user fee rate shall be $0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(f) Exemptions. The mileage-based user fee assessed pursuant to this section shall not apply to:

(1) covered vehicles owned or operated by the government of the United States;

(2) covered vehicles owned or operated by the State of Vermont; or

(3) covered vehicles that are used for short-term rentals.

(g) Fee in addition to other fees and taxes. A mileage-based user fee assessed pursuant to this section shall be in addition to any other fees and taxes imposed by this title.

(h) Review of amount assessed. A person may, within 45 days after an assessment is mailed pursuant to subsection (a) of this section, appeal the amount of the assessment to the Commissioner. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title. The procedures shall include a process by which an appellant can resolve the dispute prior to the issuance of a final administrative decision on the appeal.

(i) Refunds. Notwithstanding subdivision (a)(5)(B) of this section, upon occurrence of a terminating event, the Commissioner shall issue a refund to the owner or lessee of a covered vehicle for any amounts paid by the owner or lessee that are in excess of the amount due pursuant to this chapter.

§ 4303. REPORTS

(a) Upon completion of an inspection of a covered vehicle pursuant to section 1222 of this title, an inspection mechanic shall report the mileage shown on the covered vehicle's odometer to the Department in the manner required by the Commissioner.

(b) Upon the occurrence of a terminating event, the owner or lessee of a covered vehicle shall report the mileage shown on the covered vehicle's odometer at the time of the terminating event to the Department in the time and manner required by the Commissioner.

§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION; DEFAULT RATE

(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of $178.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:

(1) failed to file a report required by section 4303 of this chapter within a reasonable period of time after the report is due;

(2) failed to have the covered vehicle inspected as required pursuant to section 1222 of this title within a reasonable period of time after the inspection is due at either the commencement or conclusion of a mileage reporting period; or

(3) failed to have the covered vehicle inspected at any time during or within a reasonable time after the conclusion of a mileage reporting period.

(b)(1) The default amount required pursuant to subsection (a) of this section shall be assessed when the owner or lessee of the covered vehicle next renews the vehicle's registration following the mileage reporting period.

(2) After being assessed the default amount pursuant to this subsection, the owner or lessee of the covered vehicle may obtain an inspection within 90 days after the date on which the vehicle's registration is renewed. If the covered vehicle's mileage is such that the mileage-based user fee would have been less than the default amount, the owner or lessee shall receive a credit for the difference that is applied to reduce the amount of the next mileage-based user fee due for the covered vehicle.

§ 4305. REGISTRATION; SUSPENSION OR REFUSAL

(a) Suspension of registration. The Commissioner may suspend or refuse to renew the registration of a covered vehicle if the Commissioner determines, following notice and an opportunity for a hearing as provided pursuant to subsection (b) of this section, that the owner or lessee of the covered vehicle:

(1) failed to file a report required pursuant to section 4303 of this chapter;

(2) filed a report containing an intentional misrepresentation, misstatement, or omission of material information required by this chapter; or

(3) is delinquent at the time of renewal in the payment of any amount due pursuant to the provisions of this chapter.

(b) Notice and opportunity for hearing. The Commissioner shall provide the owner or lessee of a covered vehicle with not less than 15 days' notice of the intent to suspend or not to renew the registration of the covered vehicle pursuant to the provisions of this section. The owner or lessee shall be provided with the opportunity for a hearing and shall be permitted to be represented by counsel at the hearing.

§ 4306. POWERS OF THE COMMISSIONER

(a) General authority. The Commissioner shall have the authority to administer and enforce the provisions of this chapter.

(b) Additional powers. In addition to any powers or authority specifically granted to the Commissioner pursuant to the provisions of this chapter, the Commissioner may do the following:

(1) adopt rules pursuant to 3 V.S.A. chapter 25 as the Commissioner determines necessary to administer and enforce the provisions of this chapter;

(2) prescribe forms appropriate to the purposes of this chapter; and

(3) contract with an account manager to administer and manage the mileage-based user fee.

§ 4307. APPEALS; JUDICIAL REVIEW

(a) Administrative appeal. An aggrieved person may appeal any final decision, order, or finding of the Commissioner under this chapter within not more than 45 days after the decision is issued or the order or finding is made. The Commissioner shall establish procedures for filing and hearing appeals pursuant to this subsection that are consistent with the provisions of sections 105–107 of this title.

(b) Appeal to Superior Court. Following a final decision on an appeal pursuant to subsection (a) of this section or subsection 4302(h) of this chapter, the appellant may appeal the decision pursuant to Rule 74 of the Vermont Rules of Civil Procedure. The appeal shall be to the Washington Superior Court or, in the discretion of the appellant, to the Superior Court in the county where the appellant resides or has a principal place of business.

(c) Exclusivity of remedies. The appeals provided by this section and subsection 4302(h) of this chapter shall be the exclusive remedies available to any person for review of an assessment, decision, or order or finding of the Commissioner under this chapter.

Sec. 17. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

* * *

(c) In addition to the registration fee set forth in subsection (a) of this section, there shall be an annual ~~EV~~ infrastructure fee for a pleasure car that is a plug-in hybrid electric vehicle, as defined in subdivision ~~4(85)(B)~~ (4)(85)(B) of this title, equal to one-half the amount of the annual fee collected in

subsection (a) of this section, or a biennial ~~EV~~ infrastructure fee equal to the annual fee collected in subsection (a) of this section.

(d) The annual and biennial ~~EV~~ infrastructure fees collected in subsection (c) of this section shall be ~~allocated to~~ deposited in the Transportation Fund ~~for programs administered by the Agency of Commerce and Community Development to increase Vermonters' access to level 1 and 2 electric vehicle supply equipment (EVSE) charging ports at workplaces or multiunit dwellings, or both~~.

Sec. 18. MILEAGE-BASED USER FEE; INITIAL TRANSITION

(a) Notwithstanding any provision of 23 V.S.A. § 4302 to the contrary, during calendar years 2027 and 2028, the owner or lessee of a covered vehicle shall pay the mileage-based user fee for the covered vehicle's first mileage reporting period as provided pursuant to the provisions of either subsection (b) or (c) of this section.

(b)(1)(A) For a covered vehicle that has a valid Vermont registration on December 31, 2026, the vehicle's initial mileage reporting period shall commence with its first annual inspection occurring on or after January 1, 2027.

(B) For a covered vehicle that is newly registered in Vermont on or after January 1, 2027, the vehicle's initial mileage reporting period shall commence on the date of registration.

(2) For an initial registration or a registration renewal of a covered vehicle that occurs on or after January 1, 2027, and prior to the completion of the initial mileage reporting period, the owner or lessee of the covered vehicle shall pay a one-time road usage charge of $89.00 for a one-year registration or $178.00 for a two-year registration.

(3) At the conclusion of a covered vehicle's initial mileage reporting period, the mileage-based user fee for the vehicle shall be calculated as provided pursuant to the annual mileage-based user fee payment option set forth in 23 V.S.A. § 4302(a)(2).

(4)(A) The amount of the covered vehicle's mileage-based user fee calculated pursuant to subdivision (3) of this subsection shall be reduced by:

(i) the amount of any road usage charge paid pursuant to subdivision (2) of this subsection (b); or

(ii) for a covered vehicle whose owner or lessee did not pay the road usage charge pursuant to subdivision (2) of this subsection (b) but paid the EV infrastructure fee required pursuant to 23 V.S.A. § 361 at the most

recent registration or registration renewal of the vehicle prior to January 1, 2027, an amount equal to the amount of the EV infrastructure fee paid at the most recent registration.

(B) Any amounts remaining after the initial mileage-based user fee has been paid shall be carried forward and applied as a credit to reduce the amount of future mileage-based user fees due in relation to the covered vehicle.

(c) As an alternative to paying the mileage-based user fee as set forth in subsection (b) of this section, the owner or lessee of a covered vehicle may elect to pay a flat fee of $178.00 for the initial mileage reporting period. The provisions of 23 V.S.A. § 4302(a)(6) shall apply to an owner or lessee who elects to pay a flat fee pursuant to this subsection.

(d) As used in this section, "covered vehicle" has the same meaning as in 23 V.S.A. § 4301.

Sec. 19. OUTREACH AND EDUCATION; USER EXPERIENCE; REPORT

(a) The Agency of Transportation and the Department of Motor Vehicles shall develop and implement a public outreach, education, and communications strategy regarding the mileage-based user fee program established pursuant to 23 V.S.A. chapter 43 to build public awareness and understanding of the program and to solicit public feedback regarding the program. The strategy shall include the following:

(1) printed materials, web-based materials, mailings, and local media outreach that describes the purpose of the mileage-based user fee, the transportation funding challenges that the mileage-based user fee is intended to help address, and how the mileage-based user fee will be implemented with respect to battery electric vehicles and, later, other light-duty vehicles;

(2) prior to implementation, direct mailing of informational materials to owners and lessees of battery electric vehicles that are currently registered in Vermont that:

(A) outline the goals and design of the mileage-based user fee;

(B) set forth the timeline for implementation of the mileage-based user fee;

(C) provide information regarding compliance with the mileage-based user fee, including the options that will be available to each owner and lessee; and

(D) provide information on how to obtain additional information regarding the mileage-based user fee, including how to obtain informational

resources provided by the Agency, the availability of user support resources, and how to determine how the mileage-based user fee may apply to a user's specific circumstances;

(3) prior to initial implementation of the mileage-based user fee in January 2027, Agency engagement with owners and lessees of various types of light-duty motor vehicles registered in Vermont to obtain feedback on the design of the user experience for the mileage-based user fee, with particular attention to universal accessibility and specific needs for translated materials and services;

(4) survey and focus group work prior to and following implementation of the mileage-based user fee with owners and lessees whose vehicles are subject to the mileage-based user fee to aid in evaluating the implementation of the initial phase of the mileage-based user fee and in developing recommended programmatic and statutory changes; and

(5) ongoing engagement and collaboration with relevant stakeholders, including the Vermont Vehicle and Automotive Distributors Association and Drive Electric Vermont, to obtain feedback on the mileage-based user fee program and to educate members of the public about the mileage-based user fee and program design.

(b) The Agency and Department shall, on or before September 15, 2026, submit to the Joint Transportation Oversight Committee a report summarizing the public outreach, education, and communications strategy required pursuant to subsection (a) of this section.

Sec. 20. MILEAGE-BASED USER FEE TRANSITION PLAN; REPORT

(a)(1) The Agency of Transportation and the Department of Motor Vehicles, in consultation with the Agency of Digital Services, shall develop a plan to expand the mileage-based user fee (MBUF) program to all light-duty motor vehicles to ensure that each vehicle contributes an amount that bears a direct relation to the estimated demands and impacts that the vehicle places upon public infrastructure, as determined on the basis of vehicle miles traveled.

(2) The plan shall provide that:

(A) plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2029; and

(B) all light-duty motor vehicles shall begin participating in the MBUF program on or before January 1, 2031.

(3) The plan shall provide methods for ensuring that contributions to the Transportation Fund are proportionate to the number of miles traveled in Vermont by each vehicle, including:

(A) additional payment and mileage tracking options for vehicle owners or lessees to select from, including methods for differentiating between miles traveled in Vermont and miles traveled outside Vermont; and

(B) a system of fuel tax credits for vehicles that use gasoline or diesel fuel based on the vehicle's fuel economy as estimated by the U.S. Environmental Protection Agency to ensure that all covered vehicles contribute to Vermont's transportation system in an equitable manner.

(b) In developing the plan, the Agency and the Department shall:

(1) analyze the amounts paid by vehicles of different engine-fuel types and classifications with respect to the diesel fuel tax pursuant to 23 V.S.A. chapter 27, the gasoline tax pursuant to 23 V.S.A. chapter 28, and the infrastructure fee imposed pursuant to 23 V.S.A. § 361(c), as applicable;

(2) develop a proposed schedule for the inclusion of plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles in the MBUF program on or before January 1, 2029;

(3) identify any other light-duty vehicles that currently contribute less to the Transportation Fund than they would under the mileage-based user fee for inclusion in the MBUF program on or before January 1, 2029;

(4) consider possible methods to account for and differentiate between in-state and out-of-state vehicle miles traveled by vehicles registered in Vermont and vehicles registered in another state;

(5) examine the potential for integrating alternative mileage reporting methods into the mileage-based user fee program and related costs;

(6) evaluate the potential to include medium- and heavy-duty electric vehicles in the mileage-based user fee program and potential rate designs based on vehicle weights; and

(7) examine the relationship between expansion of the mileage-based user fee program and fuel tax rates, Transportation Fund revenue sustainability, and Vermont's carbon reduction targets.

(c) The Agency and Department shall also track the implementation costs and operating expenses of and revenues generated by the mileage-based user fee for State fiscal years 2027–2031. The Agency and Department shall submit an annual report of these amounts to the House Committees on Transportation and on Ways and Means and the Senate Committees on

Transportation and on Finance on or before each December 31 beginning on December 31, 2027, and continuing until December 31, 2031.

(d)(1) On or before January 31, 2027, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance an initial plan and recommendation for legislative action to:

(A) incorporate plug-in hybrid electric, hybrid electric, and fuel-efficient light-duty vehicles into the MBUF program;

(B)(i) provide at least two additional options for determining the number of vehicle miles traveled by a covered vehicle, including:

(I) an option that would utilize vehicle systems or an aftermarket device to track vehicle miles traveled; and

(II) an option that would enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and

(ii) identify data privacy protections and best practices that should be implemented to protect data obtained from owners and lessees who elect to utilize the options identified pursuant to this subdivision (B);

(C)(i) recommend whether to retain a flat-rate option for the MBUF and, if so, recommend the appropriate amount of the flat fee; and

(ii) recommend how to apply the flat fee to plug-in hybrid, hybrid, and internal combustion engine vehicles, including whether to provide different flat fees based on vehicle type or to provide credits against the amount of the flat fee based on vehicle fuel efficiency;

(D) provide at least one option to enable vehicle owners and lessees to track and differentiate between miles traveled in Vermont and miles traveled outside Vermont, with the MBUF only applying to miles traveled in Vermont; and

(E) recommend a maximum amount by which the mileage-based user fee rate can increase from year to year after all light-duty vehicles are subject to the mileage-based user fee.

(2) On or before July 30, 2028, the Agency shall submit to the Joint Transportation Oversight Committee and the House and Senate Committees on Transportation a draft copy of the final report required to be submitted to the

Federal Highway Administration pursuant to the terms of the Agency's federal Strategic Innovation for Revenue Collection grant.

(3) On or before September 15, 2028, the Agency of Transportation and the Department of Motor Vehicles shall submit to the House Committees on Transportation and on Ways and Means and the Senate Committees on Transportation and on Finance:

(A) a final plan and proposal for legislative action necessary to expand the MBUF program to all light-duty motor vehicles on or before January 1, 2031;

(B) a report of all findings made pursuant to subsection (b) of this section; and

(C) any additional recommendations for legislative action.

(e) As used in this section:

(1) "Fuel-efficient vehicle" means a motor vehicle with an estimated fuel economy of at least 25 miles per gallon according to the U.S. Environmental Protection Agency, a plug-in electric vehicle as defined pursuant to 23 V.S.A. § 4, or a hybrid electric vehicle.

(2) "Light-duty motor vehicle" means any motor vehicle with a gross vehicle weight rating of not more than 10,000 pounds.

* * * Expansion of MBUF to Fuel-Efficient Vehicles * * *

Sec. 21. 23 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

As used in this chapter:

* * *

(3) "Covered vehicle" means a ~~battery electric vehicle~~ pleasure car with an estimated fuel economy of at least 25 miles per gallon according to the U.S. Environmental Protection Agency, a PEV, or a hybrid electric vehicle.

(4) "Hybrid electric vehicle" means a pleasure car that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.

(5) "Mileage-based user fee" or "MBUF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

~~(5)~~(6) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

~~(6)~~(7) "Mileage reporting period" means:

* * *

(8) "PEV" means a plug-in electric vehicle pleasure car.

~~(7)~~(9) "Terminating event" means any of the following:

* * *

* * * Expansion of MBUF to All Light-Duty Motor Vehicles * * *

Sec. 22. 23 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

As used in this chapter:

* * *

(3) "Covered vehicle" means a ~~pleasure car with an estimated fuel economy of at least 25 miles per gallon according to the U.S. Environmental Protection Agency, a PEV, or a hybrid electric vehicle~~ motor vehicle with a gross vehicle weight rating of not more than 10,000 pounds.

(4) ~~"Hybrid electric vehicle" means a pleasure car that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.~~ [Repealed.]

* * *

(8) ~~"PEV" means a plug-in electric vehicle pleasure car.~~ [Repealed.]

* * *

Sec. 23. 23 V.S.A. § 4302(e) is amended to read:

(e) Mileage-based user fee rate.

(1) The mileage-based user fee rate shall be $0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(2) Beginning on January 1, 2032, and on each succeeding January 1, the mileage-based user fee rate shall be increased by the percentage change in the National Highway Construction Cost Index, or successor index, for the year ending on September 30 of the preceding calendar year. If the percentage change in the National Highway Construction Cost Index, or successor index, is zero or negative, the rate per mile shall remain the same as in the preceding year.

* * * Repeal of Municipal Equipment and Vehicle Loan Fund Rules * * *

Sec. 24. RULES REGARDING MUNICIPAL HEAVY EQUIPMENT LOAN FUND; REPEAL

The Rules Regarding Municipal Heavy Equipment Loan Fund (CVR 14-053-002) are repealed. The Municipal Equipment and Vehicle Loan Fund, as the successor to the Municipal Heavy Equipment Loan Fund, shall be administered as provided pursuant to 29 V.S.A. § 1601.

* * * Statement of Policy; Highways and Bridges * * *

Sec. 25. 19 V.S.A. § 10c is amended to read:

§ 10c. STATEMENT OF POLICY; HIGHWAYS AND BRIDGES

* * *

(b) For projects that are not on the National Highway System, the Agency shall ~~develop and implement~~ maintain State standards and guidance for geometric design. ~~Design speeds may be lower than legal speeds.~~ Design speeds lower than legal speeds may be used without the requirement of a formal design exception~~, provided appropriate warnings are posted~~ if appropriate warning signs, signals, and markings are used as provided pursuant to 23 V.S.A. § 1025.

* * *

* * * Agency of Transportation Duties * * *

Sec. 26. 19 V.S.A. § 10 is amended to read:

§ 10. DUTIES

The Agency shall, except where otherwise specifically provided by law:

* * *

(8)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file in the office of the Secretary a good and sufficient surety bond to the State of Vermont, executed by a surety company authorized to transact business in this State in ~~such~~ the sum ~~as~~ required by the Agency ~~shall direct~~, conditioned for the compliance by the contractor or contractors and their agents and servants, with all matters and things set forth and specified to be by the principal kept, done, and performed at the time and in the manner in the contract between the Agency and the contractor or contractors specified and to pay over, make good, and reimburse the State of Vermont for all loss or losses and damage or damages that the State of Vermont may sustain by reason of failure or default

on the part of the contractor or contractors. The Agency is authorized to require any other condition in the bond that may ~~from time to time~~ be necessary. The Secretary ~~at his or her discretion as to~~ may, if the Secretary determines that it is in the best ~~interest~~ interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for ~~$100,000.00~~ $250,000.00 or less, may waive the requirement of a performance bond.

(B) During an emergency event, the Secretary may, in the Secretary's discretion, waive the bonding requirements of this subdivision (8) for immediate, temporary stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (8).

(9)(A) Require any contractor or contractors employed in any project of the Agency for construction of a transportation improvement to file an additional surety bond to the Secretary and the Secretary's successor in office, for the benefit of labor, materialmen, and others, executed by a surety company authorized to transact business in this State. The surety bond shall be in ~~such~~ the sum ~~as~~ required by the Agency ~~shall direct~~, conditioned for the payment, settlement, liquidation, and discharge of the claims of all creditors for material~~,~~; merchandise~~,~~; labor~~,~~; rent~~,~~; hire of vehicles, power shovels, rollers, concrete mixers, tools, and other appliances~~,~~; professional services~~,~~; premiums~~,~~; and other services used or employed in carrying out the terms of the contract between the contractor and the State ~~and~~. The surety bond shall be further conditioned for the following accruing during the term of performance of the contract: the payment of taxes, both State and municipal, and the payment of unemployment insurance contributions to the Vermont Commissioner of Labor~~; provided, however, in~~.

(B) In order to obtain the benefit of the security, the claimant shall file with the Secretary a sworn statement of the claimant's claim, within 90 days after the final acceptance of the project by the State or within 90 days from the time the taxes or unemployment contributions ~~to the Vermont Commissioner of Labor~~ are due and payable, and, within one year after the filing of the claim, shall bring a petition in the Superior Court in the name of the Secretary, with notice and summons to the principal, surety, and the Secretary, to enforce the claim or intervene in a petition already filed. The Secretary may, if the Secretary determines that it is in the best interests of the State, accept other good and sufficient surety in lieu of a bond and, in cases involving contracts for ~~$100,000.00~~ $250,000.00 or less, may waive the requirement of a surety bond.

(C) During an emergency event, the Secretary may, in the Secretary's discretion, waive the requirements of this subdivision (9) for immediate emergency stabilization work related to public safety or State infrastructure. Permanent work shall be subject to the requirements of subdivision (A) of this subdivision (9).

* * *

* * * Bridge Inspections; Posting; Closure * * *

Sec. 27. 19 V.S.A. § 1514 is added to read:

§ 1514. BRIDGE INSPECTION; POSTING; CLOSURE

(a) Definition. As used in this section, "bridge" means a structure to which the National Bridge Inspection Standards apply pursuant to 23 C.F.R. § 650.303.

(b) Bridge inspections. The Agency shall inspect bridges on State highways and town highways in accordance with the requirements of the National Bridge Inspection Standards.

(c) Municipally maintained bridges.

(1) For a bridge for which a municipality has maintenance responsibility, the Agency shall advise the municipality of its inspection findings and any noted deficiencies.

(2) The Agency shall notify a municipality if a bridge for which the municipality has maintenance responsibility requires posting or closure and, upon receiving notification, the municipality shall post or close the bridge, as appropriate.

(3) If necessary to protect the public from an imminent hazard, the Agency may post or close a bridge for which a municipality has maintenance responsibility.

(4) A municipality shall be responsible for all costs and expenses related to the posting or closure of a bridge for which it has maintenance responsibility, including the costs of any required notifications, procedures, signage or traffic control devices, and barricades.

(d) Agency-maintained bridges.

(1) For any bridge for which the Agency has maintenance responsibility, the Agency shall have the sole responsibility and authority to determine whether the bridge shall be posted or closed, except that a municipality may close an Agency-maintained bridge during an emergency.

(2) If a municipality becomes aware of any deficiencies or structural conditions that could impact the Agency's determination of whether to post or close a bridge, the municipality shall promptly notify the Agency.

(3) The Agency shall be responsible for all costs and expenses associated with posting or closing an Agency-maintained bridge, including any required notifications, procedures, signage or traffic control devices, and barricades.

(e) Enforcement and penalties. In addition to any other penalties provided by law, a person that violates a bridge posting or closure by a municipality or the Agency shall be subject to a civil penalty of not more than $1,000.00.

Sec. 28. 23 V.S.A. § 2302 is amended to read:

§ 2302. TRAFFIC VIOLATION DEFINED

(a) As used in this chapter, "traffic violation" means:

* * *

(11) a violation of subsection 1006b(b) of this title, relating to operation of a prohibited vehicle in Smugglers' Notch; section 1006c of this title, relating to requirements for use of tire chains; or subsections 4120(a) and (b) of this title, relating to violations of an out-of-service order; ~~or~~

(12) a violation of section 4123 of this title, relating to authorizing railroad crossing violations; or

(13) a violation of 19 V.S.A. § 1514, relating to use of a bridge in violation of a posting or closure.

* * *

* * * Public Transit Advisory Council * * *

Sec. 29. 24 V.S.A. § 5084 is amended to read:

§ 5084. PUBLIC TRANSIT ADVISORY COUNCIL

(a) The Public Transit Advisory Council shall be created by the Secretary of Transportation under 19 V.S.A. § 7(f)(5)~~, to~~ and shall consist of the following members:

* * *

(8) a representative of ~~the Community of Vermont Elders~~ AARP Vermont;

(9) ~~a representative of private bus operators and taxi services;~~ [Repealed.]

(10) a representative of Vermont ~~intercity~~ private bus operators;

* * *

* * * Green Mountain Transit Authority * * *

Sec. 30. 24 App. V.S.A. ch. 801, § 7 is amended to read:

§ 7. Annual budget and assessments

(a) On or before February 15 in each year, the Board of Commissioners shall prepare a budget for the Authority for the next fiscal year, which shall include an estimate of the revenue of the Authority from fares and other sources, except membership assessments, and the expenses for the next fiscal year, including debt service, and at such time the Board of Commissioners shall call a meeting of the residents of its members for the purpose of presenting the proposed budget and inviting discussion thereon. The meeting shall be held at a place within the County and shall be warned by a notice published in a newspaper of general circulation in the County at least 15 days prior to the meeting. The notice shall contain a copy of the proposed budget, and members of the legislative body of each member municipality shall be notified of the meeting by certified mail. The proposed budget may include, in addition to revenues from fares and other sources, anticipated voluntary local match contributions, grants, donations, and other nonassessment revenues that may be offered by a member municipality or another public or private source.

* * *

(f)(1) The Authority shall be permitted to seek and accept voluntary local match contributions.

(2) Notwithstanding the formula for apportionment, the Authority may accept voluntary local match contributions from a member municipality or another public or private source for the purposes of:

(A) meeting federal, State, or other grant matching requirements; and

(B) supporting Authority programs, capital projects, and operations.

(3) A voluntary local match contribution accepted pursuant to this subsection shall be in addition to any assessment required pursuant to this section and shall not reduce, offset, or otherwise modify the assessment apportioned to any member municipality pursuant to the formula for apportionment unless the formula is amended in accordance with the provisions of this section.

* * * Public-Private Partnership Sunset Extension * * *

Sec. 31. 2018 Acts and Resolves No. 158, Sec. 21 as amended by 2023 Acts and Resolves No. 62, Sec. 41 is further amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. chapter 26, subchapter 2 shall be repealed on July 1, ~~2026~~ 2029.

* * * Transportation Board * * *

Sec. 32. 19 V.S.A. § 5 is amended to read:

§ 5. TRANSPORTATION BOARD; POWERS AND DUTIES

* * *

(d) Specific duties and responsibilities. The Board shall:

* * *

(7) provide appellate review, when requested in writing by an applicant or permittee, of Agency decisions and rulings regarding private and commercial access to State highway rights-of-way pursuant to the permit process established in section 1111 of this title;

* * *

* * * Transportation Alternatives Grant Program * * *

Sec. 33. 19 V.S.A. § 38 is amended to read:

§ 38. TRANSPORTATION ALTERNATIVES GRANT PROGRAM

(a), (b) [Repealed.]

(c) The Transportation Alternatives Grant Program is created. The Grant Program shall be administered by the Agency and shall be funded in the amount provided for in 23 U.S.C. § 133(h), less the funds set aside for the Recreational Trails Program. Awards shall be made to eligible entities as defined under 23 U.S.C. § 133(h), and awards under the Grant Program shall be limited to the activities authorized under federal law and shall not exceed ~~$300,000.00~~ $600,000.00 per grant allocation.

* * *

(f)(1) In fiscal year ~~2024~~ 2027 and thereafter, ~~50 percent of Grant Program funds, or such lesser sum if all eligible applications amount to less than 50 percent of Grant Program funds, shall be reserved for municipalities for environmental mitigation projects relating to stormwater and highways, including eligible salt and sand shed projects, and the balance of~~ Grant Program funds shall be awarded for any eligible activity, including

environmental mitigation projects relating to stormwater and highways, such as eligible salt and sand shed projects, and infrastructure-related projects and systems that will provide safe routes for nondrivers, and in accordance with the priorities established in subdivision (2) of this subsection.

(2) In evaluating applications for Transportation Alternatives grants, the Agency shall give preferential weighting to sand and salt shed projects and projects involving as a primary feature a bicycle or pedestrian facility. The degree of preferential weighting and the circumstantial factors sufficient to overcome the weighting shall be in the complete discretion of the Agency.

* * *

Sec. 34. 2023 Acts and Resolves No. 62, Sec. 11 is amended to read:

Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM AWARDS IN STATE FISCAL YEARS 2024 TO 2027

Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to ~~2027~~ 2026 shall not exceed $600,000.00 per grant allocation. Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal year 2027 shall not exceed $1,200,000.00 per grant allocation.

* * * Consultation Regarding Municipal Programs * * *

Sec. 35. MUNICIPAL TRANSPORTATION PROGRAMS; ONGOING EVALUATION; IDENTIFICATION OF IMPROVEMENTS

(a) In addition to ongoing work pursuant to 2025 Acts and Resolves No. 43, Sec. 15, the Agency of Transportation, in consultation with the Vermont League of Cities and Towns and the Vermont Association of Planning and Development Agencies, shall:

(1) continue examining the requirements of 19 V.S.A. § 309c, cancellation of locally managed projects, as set forth in 2025 Acts and Resolves No. 43, Sec. 14, to evaluate the obligations, risks, and benefits imposed by the provisions of that section on the State and the local sponsor of a locally managed project and to identify potential changes to the provisions of that section to ensure that State and federal transportation funding resources are appropriately administered;

(2) continue evaluating the State's Town Highway Aid and municipal grant programs administered by the Agency, as set forth in 2025 Acts and Resolves No. 43, Sec. 16, to identify potential efficiencies and improvements related to the administration of Town Highway Aid and municipal grant programs; and

(3)(A) examine the provisions in the Vermont statutes related to the procedures for establishing speed limits; and

(B) identify potential opportunities to simplify and clarify those provisions to assist municipalities in meeting local needs, including safety and context sensitivity.

(b) The Agency shall, on or before January 15, 2027, submit to the House and Senate Committees on Transportation any recommendations for legislative action.

* * * Drive Electric Vermont * * *

Sec. 36. DRIVE ELECTRIC VERMONT; APPROPRIATION

In State fiscal year 2027, the sum of $242,000.00 is appropriated from the Transportation Fund to the Agency of Transportation to support the continuation of the Agency's partnership with Drive Electric Vermont. The monies shall be used for programs and activities that support increased ownership and use of plug-in electric vehicles in the State through:

(1) stakeholder coordination;

(2) consumer education and outreach;

(3) infrastructure development; and

(4) the provision of technical assistance and support to Vermont municipalities and Vermont businesses desiring to electrify their vehicle fleets.

* * * Caledonia County State Airport * * *

Sec. 37. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

(a)(1) The Agency of Transportation is authorized to issue a request for proposals for the purchase or lease of the Caledonia County State Airport, located in the Town of Lyndon, and the Agency shall consult with the Town of Lyndon on any requests for proposals related to the purchase or lease of the Airport prior to the issuance of any requests for proposals related to the purchase or lease of the Airport.

(2) The request for proposal shall include a request for a business plan, which shall, at a minimum, include the prospective purchaser's or lessor's plans for investments in the Airport and the surrounding communities and may include plans for partnerships with secondary and post-secondary institutions in the surrounding communities.

(b) Subject to obtaining any necessary approvals from the U.S. Federal Aviation Administration, the Vermont Secretary of Transportation, as agent for the State, is authorized to convey the Airport property by warranty deed according to the terms of a purchase and sale agreement or through a long-term lease.

(c) Any such conveyance shall:

(1) include assignment of the State's interest in easements, leases, licenses, and other agreements pertaining to the Airport and the acceptance of the State's obligations under such easements, leases, licenses, and other agreements that requires, at a minimum, that any leases and terms of leases that are in effect at the time of the conveyance of the Airport are fully honored for the balance of the lease term;

(2) ensure that there are investments in the Airport to address current deficiencies and necessary repairs;

(3) ensure that the Airport continues to be a public-use airport and that the public continues to have access to the Airport for general aviation uses in perpetuity;

(4) ~~ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;~~

~~(5)~~ include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport, for the State to repurchase the Airport at fair market value before the Airport is resold or transferred to a new owner; and

~~(6)~~(5) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.

(d) The Agency shall not proceed with a sale or lease of the Airport unless:

(1) there is a fair market value offer, as required under 19 V.S.A. § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this section; and

(2) the Town of Lyndon is given the opportunity to review and comment on the final purchase and sale agreement or lease as applicable.

(e) This section shall constitute specific prior approval, including of any sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.

Sec. 38. 2023 Acts and Resolves No. 62, Sec. 9 is amended to read:

Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

Sec. 8 of this act shall be repealed on ~~May 1, 2026~~ November 1, 2027.

* * * Medical Transports * * *

Sec. 39. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY MANAGEMENT; GRANTS; APPROPRIATION

The Agency of Transportation is authorized to utilize up to $400,000.00 in one-time funds appropriated from the Transportation Fund to the Agency of Transportation in fiscal year 2027 for the purpose of providing grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities related to medical transports.

* * * Real-Time Status of Public EVSE * * *

Sec. 40. 19 V.S.A. § 2901 is amended to read:

§ 2901. DEFINITIONS

As used in this chapter:

* * *

(2) "Charging network provider" means a person that operates the digital communication network that remotely manages the EVSE at a charging station.

(3) "Charging station" means the area in the immediate vicinity of one or more EVSE and includes the EVSE, supporting equipment, parking areas adjacent to the EVSE, and lanes for vehicle ingress and egress. A charging station may comprise only a portion of the property on which it is located.

(4) "Charging station operator" means a person that owns or provides the EVSE and the supporting equipment and facilities at one or more charging stations and is responsible for operating and maintaining the EVSE, supporting equipment, and facilities. A charging station operator may delegate to another person or contract with another person for charging station operation and maintenance.

(5) "Connector" means a device that attaches EVSE to a PEV to transfer electricity from the EVSE to the PEV.

(6) "Direct current fast charger" or "DCFC" means EVSE that enables charging through the delivery of direct current electricity to a PEV's battery.

(7) “Electric bicycle” has the same meaning as in 23 V.S.A. § 4(46)(A).

~~(3)~~(8) “Electric cargo bicycle” means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods, one or more individuals in addition to the operator, or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.

~~(4)~~(9) “Electric vehicle supply equipment (EVSE)” and “electric vehicle supply equipment available to the public” have the same meanings as in 30 V.S.A. § 201.

(10) “Level 2 EVSE” means EVSE with a single-phase input voltage range from 208 to 277 volts of alternating current (AC) and maximum output current of not more than 80 amperes AC.

(11) “NEVI standards” means the minimum standards and requirements for projects funded under the National Electric Vehicle Infrastructure (NEVI) Formula Program that were published in the Federal Register on February 28, 2023 (88 FR 12752).

~~(5)~~(12) “Plug-in electric vehicle (PEV),” “battery electric vehicle (BEV),” and “plug-in hybrid electric vehicle (PHEV)” have the same meanings as in 23 V.S.A. § 4(85).

(13) “Port” means a system or connecting outlet on EVSE that provides power to charge a PEV, provided that a port may be equipped with more than one connector but shall only use one connector at a time to provide power to a PEV.

(14) “Publicly funded and available charging station” means a charging station that has received, or expects to receive, a grant, loan, or other incentive from a federal or State government source or from funds provided by Vermont retail electricity providers and that is publicly available.

Sec. 41. 19 V.S.A. § 2908 is added to read:

§ 2908. PUBLIC EVSE; REAL-TIME STATUS; AVAILABILITY

(a) Except as provided in subsection (b) of this section, a charging network provider shall, for any networked publicly funded and available charging station in Vermont that is installed or reconditioned on or after September 30,

2026, ensure that the following data fields are made available, free of charge, to third-party software developers via an application programming interface:

(1) a unique charging station name or identifier;

(2) the address of the property where the charging station is located, including street address, city, and ZIP code;

(3) the geographic coordinates in decimal degrees of the exact charging station location;

(4) the charging station operator name;

(5) the charging network provider name;

(6) the charging station status, including whether the station is operational, under construction, planned, or decommissioned;

(7) charging station access information, including:

(A) the charging station access type, such as whether it may be used by the public or is limited to use by commercial vehicles; and

(B) the charging station access days and times, including the hours of operation for the charging station;

(8) charging port information, including:

(A) the number of charging ports;

(B) the unique port identifier for each port;

(C) the connector types available by port;

(D) the charging level by port, such as DCFC or AC Level 2;

(E) the maximum power delivery rating in kilowatts by charging port;

(F) the maximum output voltage by charging port;

(G) accessibility by a vehicle with a trailer by port (yes/no); and

(H) the real-time status by port in terms defined by Open Charge Point Interface 2.2.1; and

(9) pricing and payment information, including:

(A) the pricing structure;

(B) the real-time price to charge at each charging port, in terms defined by Open Charge Point Interface 2.2.1; and

(C) the payment methods accepted at the charging station, including whether credit, debit, or contactless forms of payment are accepted.

(b) The provisions of this section shall apply to a publicly funded and available charging station at all times that a member of the public may use the associated EVSE to charge a PEV.

(c) The provisions of this section may be enforced by:

(1) any State agency or department that provides or administers grants, loans, or other incentives to support the construction or operation of publicly funded and available charging stations; and

(2) the Department of Public Service for publicly funded and available charging stations that have received a grant, loan, or other incentive provided by one or more Vermont retail electricity providers.

(d) A charging network provider may attach reasonable conditions to data use that are designed to protect confidential business information, provided that the conditions do not prevent third-party software developers from accessing the real-time information required pursuant to subsection (a) of this section.

(e)(1) A State agency or department that provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to a charging station.

(2) A retail electricity provider, if it provides a grant, loan, or other incentive for the construction or operation of a charging station that is installed or reconditioned on or after September 30, 2026, shall require the recipient to notify the relevant charging network provider that the provisions of this section apply to the charging station.

(f) As used in this section:

(1) "Real-time" means that the applicable data field must be updated within one minute following a change in the charging port's status.

(2) "Retail electricity provider" has the same meaning as in 30 V.S.A. § 8002.

* * * EVSE Installation in Common Interest Communities * * *

Sec. 42. 27A V.S.A. § 1-204 is amended to read:

§ 1-204. PREEXISTING COMMON INTEREST COMMUNITIES

(a)(1) Unless excepted under section 1-203 of this title, the following sections and subdivisions of this title apply to a common interest community created in this State before January 1, 1999: sections 1-103, 1-105, 1-106, 1-107, 2-103, 2-104, and 2-121, subdivisions ~~3-102(a)(1) through (6)~~ 3-102(a)(1)–(6) and ~~(11) through (16)~~ (11)–(16), and sections 3-111, 3-116, 3-118, 4-109, and 4-117 to the extent necessary to construe the applicable sections. The sections and subdivisions described in this subdivision apply only to events and circumstances occurring after December 31, 1998, and do not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

(3) Unless excepted under section 1-203 of this title, section 3-125 of this title shall apply to all common interest communities that contain 12 or more units that may be used for residential purposes created in this State on or before January 1, 2011. Section 3-125 applies only to events and circumstances occurring after June 30, 2026, and does not invalidate existing provisions of the declarations, bylaws, plats, or plans of those common interest communities.

* * *

Sec. 43. 27A V.S.A. § 3-125 is added to read:

§ 3-125. ELECTRIC VEHICLE SUPPLY EQUIPMENT

(a) As used in this section:

(1) "Electric vehicle supply equipment (EVSE)" means a device or system designed and used specifically to transfer electrical energy to a plug-in electric vehicle.

(2) "EVSE owner" means the unit owner who applies to install an EVSE and each successive unit owner associated with the initial application to install the EVSE unless there is a specific change in ownership of the EVSE, in which case the EVSE owner shall be the owner specified in a conveying document memorializing the change in ownership of the EVSE.

(3) "Plug-in electric vehicle" has the same meaning as in 23 V.S.A. § 4(85).

(4) "Reasonable restriction" is a restriction that does not significantly increase the cost of the EVSE or significantly decrease the efficiency or specified performance of the EVSE.

(b)(1) Any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale

of any interest in a common interest community, and any provision of a governing document associated with a common interest community, such as a declaration, bylaw, or rule, that either effectively prohibits or unreasonably restricts the installation of EVSE within the boundaries of a unit owner's unit or limited common element or the unit owner's exclusively designated parking space or the use of such EVSE for noncommercial purposes by a unit owner or the occupants of the unit owner's unit or is in conflict with this section is void and unenforceable.

(2) This subsection shall not apply to provisions that impose reasonable restrictions on EVSE. However, it is the policy of the State to promote, encourage, and remove obstacles to the use of plug-in electric vehicles, including access to EVSE at home.

(3) Installation of EVSE shall not be deemed a division or reallocation of a common element and shall not alter the allocated interests of any unit owner.

(c) The association may require the unit owner to:

(1) comply with federal, State, and local health and safety laws, including any applicable building codes or safety standards;

(2) comply with reasonable architectural standards adopted by the association that govern the dimensions, placement, or external appearance of the EVSE, provided that such standards shall not prohibit the installation of such EVSE or substantially increase the costs thereof;

(3) engage the services of a licensed electrician to install the EVSE;

(4) if the EVSE is installed in a common element or limited common element, reimburse the association for the actual costs of any increased insurance premium amount attributable to the EVSE with 14 days after receiving the association's insurance premium invoice; and

(5) comply with any other reasonable restrictions the association may impose.

(d) Notwithstanding any provision to the contrary in the association's governing documents, if the executive board of the association determines that the cumulative or additional use of electricity due to the installation and use of EVSE requires infrastructure improvements to provide a sufficient supply of electricity for the EVSE, the association may assess the cost of the required improvements against the unit of each unit owner that has installed, or will install, EVSE.

(e) If approval is required for the installation or use of EVSE, the application for approval shall be processed and approved by the association in the same manner as an application for approval of an architectural modification to the common interest community and shall not be intentionally avoided or delayed. The approval or denial of an application shall be in writing. If an application is not denied in writing within 60 days from the date of receipt of the application, the application shall be deemed approved, unless that delay is the result of a reasonable request for additional information.

(f) The unit owner and each successive owner of the EVSE shall be responsible for all of the following:

(1) costs for damage to the EVSE, common element, or limited common element resulting from the installation, maintenance, repair, removal, or replacement of the EVSE;

(2) costs for the installation, maintenance, repair, and replacement of the EVSE until the EVSE has been removed and for the restoration of the common element or limited common element after removal;

(3) cost of electricity associated with the EVSE; and

(4) unless the successor owner of the unit agrees in writing to undertake and comply with the unit owner's responsibilities with respect to the EVSE, removing the EVSE prior to the sale and restoring any affected common element or limited common element.

* * * Surcharge on Jet Fuel * * *

Sec. 44. 32 V.S.A. § 9784 is added to read:

§ 9784. JET FUEL TRANSPORTATION INFRASTRUCTURE SURCHARGE

(a) A vendor shall collect a transportation infrastructure surcharge of two percent on the sale of aviation jet fuel.

(b) The surcharge shall be in addition to the tax imposed under section 9771 of this subchapter. The surcharge assessed under this section shall be paid, collected, remitted, and enforced under this chapter in the same manner as the sales tax assessed under section 9771 of this subchapter.

(c) The surcharge imposed under this section shall be deposited in the Transportation Fund pursuant to 19 V.S.A. § 11 and shall be used exclusively for the construction of aviation-related infrastructure consistent with 49 U.S.C. § 47133 and applicable Federal Aviation Administration regulations and policies.

Sec. 45. 19 V.S.A. § 11 is amended to read:

§ 11. TRANSPORTATION FUND

The Transportation Fund shall comprise the following:

* * *

(4) monies received from the sales and use tax on aviation jet fuel and on natural gas used to propel a motor vehicle under 32 V.S.A. chapter 233, ~~and~~ from the portion of a local option tax on the sale of aviation jet fuel specified in 24 V.S.A. § 138, and from the transportation infrastructure surcharge on aviation jet fuel pursuant to 32 V.S.A. § 9784;

* * *

* * * Intelligent Speed Assistance * * *

Sec. 46. INTELLIGENT SPEED ASSISTANCE; IMPLEMENTATION AND COST EVALUATION; REPORT

(a) The Department of Motor Vehicles shall examine the potential to implement and administer an intelligent speed assistance program, including the following issues:

(1) intelligent speed assistance programs that have been or will be implemented in other states and the District of Columbia;

(2) costs for the State to implement an intelligent speed assistance program; and

(3) potential costs to drivers who choose to participate in an intelligent speed assistance program.

(b) On or before January 15, 2027, the Department shall submit a written report to the House and Senate Committees on Transportation regarding its findings and any recommendations for legislative action.

* * * Miscellaneous Transportation Jurisdiction Corrections * * *

Sec. 47. 20 V.S.A. § 3065 is amended to read:

§ 3065. PENALTIES

(a) A person who knowingly violates, or causes to be violated, a provision of sections 3062–3064 of this ~~title, or a regulation made by the Public Utility Commission in pursuance thereof,~~ chapter shall be imprisoned not more than 18 months or fined not more than $2,000.00, or both.

(b) When the death or bodily injury of a person is caused by the explosion of any explosive named in sections 3062–3064 and ~~3091-3092~~ 3091 and 3092

of this ~~title~~ chapter, while the ~~same~~ explosive is being placed upon a vessel or vehicle to be transported in violation ~~hereof~~ of this chapter, or while the ~~same~~ explosive is being so transported, or while the ~~same~~ explosive is being removed from ~~such~~ the vessel or vehicle, the person who knowingly places or aids or permits the placement of ~~such~~ the explosives upon ~~such~~ the vessel or vehicle to be so transported shall be imprisoned not more than ~~ten~~ 10 years.

Sec. 48. 24 V.S.A. § 5106 is amended to read:

§ 5106. EXEMPTION FROM REGULATION

The public transportation systems and facilities operating under this authority are exempt from any of the regulatory provisions of Title 30, except that the ~~Public Utility Commission~~ Transportation Board may impose any regulatory provisions of Title 30 that it ~~may determine from time to time~~ determines to be necessary.

Sec. 49. 24 App. V.S.A. ch. 801, § 5 is amended to read:

§ 5. EXEMPTION FROM REGULATION

The public transportation systems and facilities operating under this Authority are generally exempt from any of the regulatory provisions of Title 30 of the Vermont Statutes Annotated. However, the ~~Public Utility Commission~~ Transportation Board may impose those regulatory provisions of Title 30 of the Vermont Statutes Annotated that it ~~may determine from time to time~~ determines to be necessary.

Sec. 50. 25 V.S.A. § 241 is amended to read:

§ 241. APPLICATION OF PROVISIONS

This subchapter shall apply to every person~~, partnership, unincorporated association, or corporation~~ that shall drive or float lumber in any stream. The use of any ~~such~~ stream for ~~such~~ that purpose shall constitute an election on the part of ~~such~~ the person~~, partnership, unincorporated association, or corporation~~ to be subject to and bound by the provisions of this subchapter ~~and to be bound thereby~~. This subchapter shall apply to every owner of the land adjoining any stream ~~so~~ that is used for the purpose of driving or floating lumber, unless, within 60 days after an alleged injury, the owner notifies, in writing, the ~~Public Utility Commission~~ Agency of Natural Resources that the provisions of this subchapter are not intended to apply.

Sec. 51. 25 V.S.A. § 242 is amended to read:

§ 242. PETITION TO ~~PUBLIC UTILITY COMMISSION~~ AGENCY OF NATURAL RESOURCES

When damage is done to ~~such~~ the owner by ~~such~~ the lumber in the driving or floating of the ~~same~~ lumber and ~~such~~ the owner and the owner of the lumber do not agree upon the damages, either party may prefer a petition to the ~~Public Utility Commission~~ Agency of Natural Resources setting forth the injury alleged to be sustained and ~~praying for the~~ seeking redress ~~provided for by~~ pursuant to the provisions of this subchapter.

Sec. 52. 25 V.S.A. § 243 is amended to read:

§ 243. NOTICE AND HEARING; DECISION

Upon due notice to all parties in interest, the ~~Public Utility Commission~~ Agency of Natural Resources shall hear and determine the cause of ~~such~~ the injury to the land or other property adjoining ~~such~~ the stream. When the ~~Commission~~ Agency determines that ~~such~~ the injury was caused by the driving or floating of lumber, it shall fix the compensation to be paid ~~therefor~~, including expense for witnesses and ~~a~~ reasonable ~~attorney fee~~ attorney's fees, and render a decision accordingly, which decision shall be final and a bar to any other action brought for such damages.

Sec. 53. 25 V.S.A. § 244 is amended to read:

§ 244. JUDGMENT ON DECISION

A party in interest may file in the Superior Court for the county in which the inquiry was held a certified copy of the decision of the ~~Commission~~ Agency awarding compensation, whereupon ~~such~~ the court shall render judgment in accordance ~~therewith~~ with the decision and notify the parties ~~thereof~~ of the judgment. ~~Such~~ The judgment shall have the same effect, and all proceedings in relation ~~thereto~~ to the judgment shall ~~thereafter~~ be the same as though ~~such~~ the judgment had been rendered in an action duly heard and determined by ~~such~~ the court, and there shall be no appeal ~~therefrom~~ from the judgment.

Sec. 54. 25 V.S.A. § 245 is amended to read:

§ 245. BOND OF FOREIGN CORPORATION

A foreign corporation, before driving or floating any logs, lumber, or other timber in any stream in this State, shall file in the Office of the Secretary of State for the benefit of the owners of land adjoining any stream used by ~~such~~ the corporation, a good and sufficient bond to be approved by the Secretary and in ~~such~~ a sum ~~as he or she directs~~ the Secretary determines is appropriate. ~~Such~~ The bond shall be given to the Secretary as trustee of the corporation, for each and all of the riparian owners, and shall be conditioned for the payment of all damages and compensation awarded by the ~~Commission~~ Agency and any judgment rendered by any court from which an appeal has not been taken.

Upon breach of the condition of ~~such~~ the bond, the Secretary, upon application by a riparian owner whose award by the ~~Commission~~ Agency or judgment remains unpaid for more than 30 days, shall institute proceedings thereon in ~~his or her~~ the Secretary's name as trustee for the benefit of all landowners to whom ~~such~~ the corporation may be indebted~~, as hereinbefore provided,~~ pursuant to the provisions of this section at the time ~~such~~ the proceedings shall be instituted.

Sec. 55. 32 V.S.A. § 8394 is amended to read:

§ 8394. PETITION AND HEARING FOR RELIEF FROM TAXES

Upon the written petition of any railroad corporation operating a railroad located in whole or in part within this State, setting forth that the financial condition of ~~such~~ the corporation is such that the payment of any taxes assessed against it under the provisions of this chapter would imperil the continued operation of ~~such~~ the railroad and would be detrimental to the general good of the State, the ~~Public Utility Commission~~ Commissioner of Taxes shall fix a time and place for a hearing ~~thereon~~ on the petition and give

Sec. 56. VEHICLE HISTORY INFORMATION; REPORT

(a) The Commissioner of Motor Vehicles, in consultation with the Attorney General, the Vermont Vehicle and Automotive Distributors Association, the Alliance for Automotive Innovation, and other interested stakeholders, shall examine the use and reliability of vehicle history reports utilized in relation to the purchase and sale of used motor vehicles in Vermont. The report shall address:

(1) how information provided in vehicle history reports is gathered and disseminated;

(2) the accuracy of vehicle history information provided in vehicle history reports;

(3) the frequency with which complaints regarding the accuracy of vehicle history reports are submitted to the State;

(4) the frequency and potential causes of inaccurate or incomplete vehicle history information being provided in vehicle history reports;

(5) potential causes for inaccurate or incomplete vehicle history information being included in vehicle history reports; and

(6) potential legislative or regulatory actions that could reduce the occurrence of inaccurate or incomplete vehicle history information appearing in vehicle history reports.

(b) On or before December 15, 2026, the Commissioner shall submit a written report to the House and Senate Committees on Transportation regarding their findings pursuant to subsection (a) of this section and any recommendations for legislative action.

(c) As used in this section:

(1) "Vehicle history information" includes the following related to a motor vehicle:

(A) accident or damage information;

(B) the number of previous owners;

(C) information regarding service or maintenance history, including diagnostic information generated while performing service or maintenance;

(D) odometer readings; and

(E) title information.

(2) "Vehicle history report" means any written or electronic communication of vehicle history information made by a vehicle history report provider that is made available to consumers.

(3) "Vehicle history report provider" means an entity that generates vehicle history reports from a vehicle history database that are provided directly to consumers. "Vehicle history report provider" does not include a dealer that obtains a vehicle history report from a third party that is not an affiliate of the dealer and that then communicates the vehicle history report without altering the vehicle history information in the report.

* * * Effective Dates * * *

Sec. 57. EFFECTIVE DATES

(a) Sec. 11 (purchase and use tax payments to Education Fund) shall take effect on July 1, 2027.

(b) Sec. 12 (repeal of purchase and use tax payments to Education Fund) shall take effect on July 1, 2031.

(c) Secs. 16 (mileage-based user fee), 17 (infrastructure fee for PHEVs), and 18 (transition to mileage-based user fee) shall take effect on January 1, 2027.

(d) Sec. 21 (expansion of mileage-based user fee to fuel-efficient vehicles) shall take effect on January 1, 2029.

(e) Sec. 22 (expansion of mileage-based user fee to all light-duty vehicles) shall take effect on January 1, 2031.

(f) Sec. 23 shall take effect on the sooner of January 1, 2031, or when the mileage-based user fee created pursuant to 23 V.S.A. chapter 43 becomes applicable to all motor vehicles with a gross vehicle weight rating of less than 10,000 pounds.

(g) The remaining sections shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 26, 2026, pages 3610-3619)

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

The Committee recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Transportation, with further recommendation of proposals of amendment thereto:

First: By striking out Secs. 11 and 12, 16 V.S.A. § 4025, (Education Fund) and their reader assistance heading in their entireties and inserting in lieu thereof two new Secs. 11 and 12 to read as follows:

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

Second: By striking out Sec. 21, 23 V.S.A. § 4301, Sec. 22, 23 V.S.A. § 4301, and Sec. 23, 23 V.S.A. § 4302(e), and their reader assistance headings in their entireties and inserting in lieu thereof three new Secs. 21, 22, and 23 to read as follows:

Sec. 21. [Deleted.]

Sec. 22. [Deleted.]

Sec. 23. [Deleted.]

Third: By striking out Sec. 44, 32 V.S.A. § 9784, and Sec. 45, 19 V.S.A. § 11, and their reader assistance heading in their entireties and inserting in lieu thereof two new Secs. 44 and 45 to read as follows:

Sec. 44. [Deleted.]

(Committee vote: 5-2-0)

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

The Committee recommends that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Transportation and Finance, with further recommendation of proposals of amendment thereto:

First: By striking out Sec. 6, 32 V.S.A. § 3709, Sec. 7, 19 V.S.A. § 306b, Sec. 8, 19 V.S.A. § 306, Sec. 9, general State aid for town highways; additional appropriation, and Sec. 10, transfer, and their reader assistance headings in their entireties and inserting in lieu thereof five new Secs. 6–10 to read as follows:

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Sec. 10. [Deleted.]

Second: By striking out Sec. 39, public transit demand response medical transports; volunteer drivers; mobility management; grants; appropriation, in its entirety and inserting in lieu thereof a new Sec. 39 to read as follows:

Sec. 39. PUBLIC TRANSIT DEMAND RESPONSE MEDICAL TRANSPORTS; VOLUNTEER DRIVERS; MOBILITY MANAGEMENT; GRANTS

The Agency of Transportation is authorized to utilize amounts appropriated for supplemental nonemergency medical transportation funding in fiscal year 2027 for the purpose of providing grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities related to nonemergency medical transports.

(Committee vote: 7-0-0)

Substitute amendment for the recommendation of proposal of amendment of the Committee on Finance to H. 944 to be offered by Senator Chittenden

Senator Chittenden moves to substitute an amendment for the recommendation of proposal of amendment of the Committee on Finance, by amending the recommendation of proposal of amendment of the Committee of Transportation as follows:

First: By striking out Secs. 11 and 12, 16 V.S.A. § 4025, (Education Fund) and their reader assistance heading in their entireties and inserting in lieu thereof two new Secs. 11 and 12 to read as follows:

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

Second: By striking out Sec. 21, 23 V.S.A. § 4301, Sec. 22, 23 V.S.A. § 4301, and Sec. 23, 23 V.S.A. § 4302(e), and their reader assistance headings in their entireties and inserting in lieu thereof three new Secs. 21, 22, and 23 and their reader assistance heading to read as follows:

* * * Expansion of MBUF to Hybrid Vehicles * * *

Sec. 21. 23 V.S.A. § 4301 is amended to read:

§ 4301. DEFINITIONS

As used in this chapter:

* * *

(3) "Covered vehicle" means a ~~battery electric vehicle~~ PEV or a hybrid electric pleasure car.

(4) "Hybrid electric pleasure car" means a pleasure car that can be powered by an electric motor drawing current from a rechargeable energy storage system but also has an onboard combustion engine.

(5) "Mileage-based user fee" or "MBUF" means the fee charged for the annual vehicle miles traveled by a covered vehicle pursuant to section 4302 of this chapter.

~~(5)~~(6) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a covered vehicle pursuant to section 4302 of this chapter.

~~(6)~~(7) "Mileage reporting period" means:

* * *

(8) "PEV" means a plug-in electric vehicle pleasure car.

~~(7)~~(9) "Terminating event" means any of the following:

* * *

Sec. 22. 23 V.S.A. § 4302 is amended to read:

§ 4302. MILEAGE-BASED USER FEE; ASSESSMENT; CALCULATION; PAYMENT; EXEMPTIONS

* * *

(d) Calculation of the mileage-based user fee.

(1) The mileage-based user fee for a covered vehicle shall equal the amount of the base mileage-based user fee pursuant to subdivision (2) of this subsection less the amount of the applicable fuel tax credit pursuant to subdivision (3) of this subsection, if any.

(2) The Commissioner shall calculate the base mileage-based user fee of each covered vehicle by multiplying the miles traveled by the covered vehicle during the applicable period by the rate established pursuant to ~~subsection (e)~~ subdivision (e)(1) of this section. The number of miles traveled shall be equal to:

(A) for a mileage reporting period, the difference between the mileage shown on the covered vehicle's odometer at the end of the mileage reporting period and the mileage shown on the covered vehicle's odometer at the beginning of the mileage reporting period; and

(B) for a report filed by an owner or lessee as part of the pay-as-you-go mileage-based user fee program pursuant to subdivision (a)(3) of this section, the difference between the mileage reported by the owner or lessee and the most recent prior mileage reported for the covered vehicle.

~~(2)~~(3) ~~Notwithstanding any provision of subdivision (1) of this subsection to the contrary, the mileage-based user fee assessed for a mileage reporting period shall not exceed $178.00~~ For each covered vehicle, the Commissioner shall deduct the amount of the fuel tax credit determined pursuant to subdivision (e)(2) of this section, if any, from the amount of the mileage-based user fee calculated pursuant to subdivision (1) of this subsection to determine the amount due from the owner or lessee of each covered vehicle pursuant to this section. The Commissioner shall ensure that the combined amount of estimated fuel taxes and the mileage-based user fee paid by the owner or lessee of a covered vehicle does not exceed the amount of the base mileage-based user fee calculated pursuant to subdivision (2) of this subsection.

(e) Mileage-based user fee rate and fuel tax credits.

(1) The mileage-based user fee rate shall be $0.014 per mile traveled by a covered vehicle during its mileage reporting period.

(2) At the conclusion of each mileage reporting period, the Commissioner shall calculate for all vehicles, except battery electric vehicles, a fuel tax credit by dividing the miles traveled by the vehicle during the mileage reporting period by the vehicle's estimated average combined fuel economy as determined by the U.S. Environmental Protection Agency and multiplying that

amount by the applicable tax per gallon on gasoline or diesel fuel pursuant to chapters 27 and 28 of this title.

* * *

Sec. 23. 23 V.S.A. § 4304 is amended to read:

§ 4304. FAILURE TO FILE REPORT OR OBTAIN INSPECTION; DEFAULT RATE

(a) The Commissioner shall charge the owner or lessee of a covered vehicle a default rate of ~~$178.00~~ $375.00 if the Commissioner is unable to determine the annual vehicle miles traveled for the owner's or lessee's covered vehicle because the owner or lessee:

* * *

Third: By striking out Sec. 44, 32 V.S.A. § 9784, and Sec. 45, 19 V.S.A. § 11, and their reader assistance heading in their entireties and inserting in lieu thereof two new Secs. 44 and 45 to read as follows:

Sec. 44. [Deleted.]

Sec. 45. [Deleted.]

Fourth: In Sec. 57, effective dates, by striking out subsections (d), (e), and (f) in their entireties and inserting in lieu thereof a new subsection (d) to read as follows:

(d) Sec. 21 (expansion of mileage-based user fee to hybrid vehicles), Sec. 22 (addition of fuel tax credit), and Sec. 23 (increase in default mileage-based user fee rate) shall take effect on January 1, 2029.

and by relettering the remaining subsection to be alphabetically correct

House Proposal of Amendment

S. 327.

An act relating to economic development.

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

Sec. 1. [Deleted.]

Sec. 2. [Deleted.]

Sec. 3. [Deleted.]

Sec. 4. [Deleted.]

Sec. 5. [Deleted.]

Sec. 6. [Deleted.]

* * * Business Resources and Growth Study * * *

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

(a) Business growth and development study. The Commissioner of Economic Development, in consultation with the stakeholders set forth in subsection (b) of this section, 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 are poised to serve businesses for each stage of development;

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

(5) determine how to better communicate succession planning options for 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) Stakeholders. The Commissioner shall consult and convene with stakeholders to assist in the Commissioner's work pursuant to subsection (a) of this section that have relevant experience in business growth and access to capital, including representation from the U.S. Small Business Administration, the Vermont Small Business Development Center, the U.S. Department of Agriculture, regional development corporations, regional planning commissions, the Vermont Housing and Conservation Board, the Vermont Professionals of Color Network, the Vermont Small Business Law Center, the Vermont Sustainable Jobs Fund, the Vermont Employee Ownership Center, a regional community action agency, postsecondary institutions, and local and regional chambers of commerce.

(c) 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 and a list of the stakeholders consulted pursuant to subsection (b) of this section.

* * * Convention Center Task Force * * *

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.

* * *

(e) Reports. On or before November 1, 2025, the Task Force shall submit an interim report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs with an update on its work pursuant to subsection (c) of this section. On or before ~~November~~ December 1, 2026, the Task Force shall submit a final 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 any recommendations for legislative action.

(f) Meetings.

* * *

(4) The Task Force shall cease to exist on ~~December 1, 2026~~ July 1, 2027.

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

* * *

* * * Repeal of VEGI Prospective Repeal * * *

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.]

* * * VEGI Annual Cap * * *

Sec. 9a. 32 V.S.A. § 3342 is amended to read:

§ 3342. ANNUAL PROGRAM CAP

(a) In each calendar year the Vermont Economic Progress Council may approve one or more incentives under this subchapter, the total value of which shall not exceed:

(1) ~~$15,000,000.00~~ $10,000,000.00 for one or more initial approvals; and

(2) ~~$10,000,000.00~~ $5,000,000.00 for one or more final approvals.

(b) The Council may increase the cap imposed in subdivision (a)(2) of this section by not more than $5,000,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee.

(c) In evaluating the Governor's request, the Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections.

(d) The Council shall provide the Committee with testimony, documentation, company-specific data, and any other information the Committee requests to demonstrate that increasing the cap will create an opportunity for return on investment to the State.

Sec. 10. [Deleted.]

* * * Study of Culinary and Hospitality Education * * *

Sec. 10a. CULINARY AND HOSPITALITY EDUCATION; STUDY; REPORT

(a) Purpose and findings. The State of Vermont lost a significant contributor to its culinary and hospitality workforce pipeline when the New England Culinary Institute closed during the COVID-19 pandemic. The General Assembly finds that the establishment of postsecondary educational programs in the fields of culinary arts and hospitality is critical for the long-term workforce needs in those sectors and for the economic health of the State.

(b) Task. The Department of Labor, in collaboration with the Vermont Chamber of Commerce, shall engage with the stakeholders set forth in subsection (c) of this section to determine how best to develop postsecondary educational programs in the fields of culinary arts and hospitality by:

(1) investigating suitable locations that could host the programs;

(2) researching and identifying possible educational and business models;

(3) identifying organizations that could stand up, administer, or operate the programs;

(4) gauging the interest from private investors to determine whether there is interest in private funding for the programs;

(5) establishing relationships with culinary and hospitality businesses in Vermont that have or will have workforce needs;

(6) cataloging opportunities currently available for culinary and hospitality training and certification;

(7) determining whether there are gaps in the availability of culinary and hospitality training and certification programs; and

(8) conducting any additional research or outreach that would promote the development of the programs.

(c) Stakeholders. The Department 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, Office of Workforce Strategy and Development, Vermont Association of Career and Technical Directors, Vermont Professionals of Color, Vermont Independent Restaurants, Vermont Specialty Foods Association, Vermont Lodging Association, University of Vermont, Vermont State Colleges System, Vermont Sustainable Jobs Fund, Vermont Employee Ownership Center, and an institutional food and beverage provider.

(d) Report. On or before December 1, 2026, the Department 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 development of postsecondary educational programs for culinary arts and hospitality. The report shall also list the stakeholders consulted pursuant to subsection (c) of this section.

* * * Culinary Apprenticeship Pilot Program * * *

Sec. 10b. HOSPITALITY AND CULINARY APPRENTICESHIP PILOT; REPORT

(a) Creation and purpose; coordination.

(1) The Department of Labor, through the Vermont Registered Apprenticeship Program, shall establish and maintain a two-year hospitality and culinary apprenticeship pilot that develops and evaluates a new registered apprenticeship training program specific to accommodation and food services. The pilot shall be structured as a regional, multi-employer model, with the goal of the program being to strengthen workforce pathways and improve job quality in the hospitality and culinary services, which have been identified as priority sectors by the State Workforce Development Board.

(2) The Department shall coordinate its work on the pilot with the Department of Tourism and Marketing, Department of Economic Development, Office of Workforce Strategy and Development, and Vermont Chamber of Commerce.

(b) Pilot details.

(1) The Department shall:

(A) implement the pilot in a hospitality-based regional economy and include multiple employers, including at least one large employer, located within the same regional economy;

(B) incorporate an intermediary or coordinating entity;

(C) include structured work-based learning across more than one employer;

(D) align with education and training providers, including secondary and adult career technical education programs;

(E) be structured to rely on existing resources, including the physical assets of schools, technical centers, and restaurants;

(F) be built around not more than two apprenticeable occupations, as that term is defined in 21 V.S.A. § 1111(4); and

(G) establish specific numeric targets and track outcomes including completion, retention, and wage progression.

(2) The pilot shall be designed to achieve, at minimum:

(A) participation of multiple employers;

(B) enrollment of at least one apprentice cohort; and

(C) measurable completion outcomes.

(c) Funding. The Department shall implement the pilot using existing State and federal funds to the extent practicable and may seek additional grants or funding as such funds become available.

(d) Report. The Department shall, based on its work on the hospitality and culinary apprenticeship pilot set forth in this section, submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs:

(1) on or before December 15, 2026, an interim written report on the progress of the pilot program that includes the design, participation, and preliminary results of the pilot; and

(2) on or before December 15, 2028, a final written report on the pilot program, including outcomes, evaluation of effectiveness, and recommendations for future legislative action.

Sec. 11. [Deleted.]

Sec. 12. [Deleted.]

* * * Rural Industry Development Grant Program * * *

Sec. 12a. 2023 Acts and Resolves No. 78, Sec. F.8 is amended to read:

Sec. F.8 ~~RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM~~

~~(a) Creation; purpose.~~

~~(1) A Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for business relocation and expansion efforts, including the purchase, demolition, and renovation of property for industrial use.~~

~~(2)(A) To the extent funding is appropriated, the Agency shall make grants through the Program to assist local development corporations with business relocation and expansion efforts throughout Vermont.~~

~~(B) The Agency shall ensure an accounting of the respective State and Grantee shares of investment in any property be maintained to refund to the State an appropriate share of any net proceeds resulting from future sale or transfer of such property acquired or improved through a grant awarded under this program.~~

~~(b) Grant considerations. In making grant awards, the Agency shall consider:~~

~~(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;~~

~~(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;~~

~~(3) the funding that the applicant has identified, or secured, to leverage a grant award; and~~

~~(4) the readiness of an applicant to move a project forward.~~

~~(c) Eligible applicants; priority.~~

~~(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.~~

~~(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.~~

~~(d) Eligible activities. A grant recipient may use funding for the following:~~

~~(1) to purchase land for potential industrial use;~~

~~(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;~~

~~(3) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3; or~~

~~(4) for the matching requirement of another State or federal grant consistent with this section.~~

~~(e) Application; market assessment.~~

~~(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed development and identifies imminent, potential, or existing business growth opportunities.~~

~~(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:~~

~~(A) community and regional support for the project;~~

~~(B) that grant funding is needed to complete the proposed project;~~

~~(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and~~

~~(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.~~

~~(f) Awards; amount.~~

~~(1) An award shall not exceed the lesser of $1,000,000 or 20 percent of the total project cost.~~

~~(2) A recipient may combine grant funds with funding from other sources.~~

~~(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.~~

~~(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.~~

~~(g) Deed restrictions; property sales. The Agency shall include deed restrictions that require the return of the principal amount to the state and may require the payment of a percentage of the sales profit.~~ [Repealed.]

Sec. 12b. 10 V.S.A. § 6 is added to read:

§ 6. RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM

(a) Creation; purpose.

(1) The Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for the purpose of business relocation and expansion activities set forth in subsection (d) of this section.

(2) To the extent funding is appropriated, the Agency shall make grants through the Program fund to assist local development corporations with business relocation and expansion efforts throughout Vermont.

(3) As used in this section, "federally impacted property" means real property that is:

(A) owned by the United States or by any federal agency or an instrumentality thereof; or

(B) under the custody or control of a federally appointed receiver, trustee, or conservator, and includes property subject to federal court jurisdiction.

(b) Grant considerations. In making grant awards, the Agency shall consider:

(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;

(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;

(3) the funding that the applicant has identified, or secured, to leverage a grant award; and

(4) the readiness of an applicant to move a project forward.

(c) Eligible applicants; priority.

(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.

(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.

(d) Eligible activities. A grant recipient shall use any funding provided through this section only for the following:

(1) to purchase real property for potential industrial, commercial, or, in the case of a federally impacted property, residential use;

(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;

(3) for a project that supports future commercial or industrial development as outlined in a development agreement;

(4) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3;

(5) for the matching requirement of another State or federal grant consistent with this section; or

(6) for the purchasing, holding, and renovation of property for the repurposing or redevelopment of a federally impacted property.

(e) Application; market assessment.

(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed

development and identifies imminent, potential, or existing business growth opportunities.

(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:

(A) community and regional support for the project;

(B) that grant funding is needed to complete the proposed project;

(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and

(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.

(f) Awards; amount.

(1)(A) An award shall not exceed the lesser of $1,000,000.00 or 50 percent of the total project cost, subject to the exception in subdivision (B) of this subdivision (1).

(B) An award may exceed $1,000,000.00 but shall not exceed $2,000,000.00 if the property is classified as a federally impacted property and the Secretary certifies that the project is located in:

(i) a designated downtown development district; and

(ii) a rural economic area partnership program (REAP Zone); or

(iii) a federally declared natural disaster area, provided the declaration was made not more than five years from the application date.

(2) A recipient may combine grant funds with funding from other sources.

(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.

(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.

(g) Deed restrictions. Any deed restriction requiring a Rural Industry Development Grant Program award recipient to return to the State the principal amount of the grant or a percentage of the sales profit is void and shall not be enforced.

Sec. 12c. INTENT AND RETROACTIVITY

The intent of Secs. 12a and 12b of this act is to move the Rural Industry Development Grant Program from its original placement in 2023 Acts and Resolves No. 78, Sec. F.8 to Title 10 of the Vermont Statutes Annotated. The move is intended to increase the visibility of the Program. Any person that was awarded a grant through the Program before the effective date of this act shall:

(1) not have its award rescinded solely due to the Program language being moved to Title 10;

(2) if the award has not been fully paid out, be eligible to have the applicant's invoices that are submitted on or after the effective date of this act to the Agency reimbursed at a rate of 50 percent; and

(3) not be eligible for an increased total award amount.

Sec. 13. [Deleted.]

* * * Nickel Rounding * * *

Sec. 13a. PURPOSE

The purpose of Sec. 13b of this act is to authorize the rounding of cash transactions to the nearest five cents where one-cent coins are unavailable or impractical, while ensuring legal clarity and consumer fairness.

Sec. 13b. 9 V.S.A. chapter 1 is amended to read:

CHAPTER 1. MONEY OF ACCOUNT

§ 1. DOLLAR, CENT, AND MILL

The money of account in the State shall be the dollar, cent, and mill; and accounts in public offices and proceedings in court shall be in conformity herewith; but this section shall not affect an account, charge, or entry originally made or a contract expressed in other money of account, but the same shall be reduced to dollars and parts of a dollar in an action thereon.

§ 2. NICKEL ROUNDING; AUTHORIZED

(a) Definitions. As used in this section:

(1) "Cash" means coins or paper currency of the United States offered in physical form.

(2) "Cash transaction" means a sale of goods or services where payment is made entirely or partially in cash.

(3) "Rounding" means adjusting the final total amount due, after taxes and fees, to the nearest five-cent increment.

(b) Rounding authorization.

(1) A person engaged in a cash transaction may round the final amount due to the nearest $0.05 as follows:

(A) If the final digit of the amount due is $0.01, $0.02, $0.06, or $0.07, rounded down to the nearest amount divisible by five.

(B) If the final digit of the amount due is $0.03, $0.04, $0.08, or $0.09, rounded up to the nearest amount divisible by five.

(2) If a person rounds a cash transaction under this section, any cash refund of the amount paid shall be issued to the purchaser in the exact amount initially paid for the goods or service.

(c) Exclusions. This section shall not apply to:

(1) electronic and other noncash payments;

(2) payment of wages as that term is defined in 21 V.S.A. § 341;

(3) rebates or cash disbursements; and

(4) transactions governed by federal law that prohibits rounding.

(d) Application. Notwithstanding any law to the contrary, rounding under this section shall not constitute an unlawful price increase, surcharge, unfair or deceptive act or practice in commerce, or discrimination.

(e) Notice requirements.

(1) On or before July 1, 2026, the Commissioner of Liquor and Lottery shall prepare and provide individuals and businesses with a model notice pursuant to this section that shall also include a reference to the Vermont Consumer Assistance Program.

(2) A person rounding transactions under this section shall post the model notice developed pursuant to subdivision (1) of this subsection in a clear and conspicuous manner at the point of sale or at the entrance to the business.

(3) The Secretary of Agriculture, Food and Markets may issue a penalty for the failure to provide the notice required under this subsection in accordance with 6 V.S.A. § 687.

(f) Taxes and fees. All taxes and fees shall be calculated and remitted based on the prerounding amount.

Sec. 14. [Deleted.]

* * * C-PACE Program * * *

Sec. 14a. 24 V.S.A. chapter 87, subchapter 3 is added to read:

Subchapter 3. Commercial Property-Assessed Clean Energy

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

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

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

(c) As used in this subchapter:

(1) "Commercial or industrial building" means any building other than a residential dwelling with fewer than five units.

(2) "District" means a commercial property-assessed clean energy district which includes the entire municipality.

(3) "Resilience" means the ability of interconnected ecological, social, physical, and economic systems to anticipate, adapt, withstand, respond, and thrive in the face of current and future conditions and disasters.

(4) "Resiliency improvement" means improvements that increase the resilience of a property, including air quality and stormwater infrastructure improvements, snow and flood mitigation, energy storage and microgrids, alternative vehicle charging infrastructure, and fire and wind resistance.

(5) "Water conservation improvement" means measures, equipment, or devices that decrease the consumption of or demand for water, address safe drinking water, or eliminate lead from water used for drinking or cooking.

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

(a) Upon an affirmative vote made pursuant to section 3275 of this title and the performance of an analysis pursuant to subsection (b) of this section, an owner of a commercial or industrial building, within the boundaries of a district, may enter into a written agreement with the municipality that shall

constitute the owner's consent to be subject to a special assessment, as set forth in section 3255 of this title.

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

(1) where energy or water usage improvements are proposed, an energy analysis by a licensed professional engineer or engineering firm stating that the proposed qualified improvements will result in either more efficient use or conservation of energy or water, the reduction of greenhouse gas emissions, or the addition of renewable sources of energy or water;

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

(3) where resiliency improvements are proposed, certification by a licensed professional engineer stating that the qualified improvements will result in improved resilience; or

(4) for new construction, certification by a licensed professional engineer or engineering firm stating that the proposed qualified improvements will enable the project to meet or exceed the energy efficiency or water efficiency or renewable energy or water usage requirements of the current building code and the Commercial Building Energy Standards established under 30 V.S.A. § 53.

(c) A written agreement shall provide that:

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

(2) Notwithstanding any other provision of law:

(A) A lien under this section:

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

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

(B) In the event of a foreclosure action, all payments on an assessment under this subchapter that are due and unpaid as of the date the action is filed, and all payments on the assessment that become due after that

date and that accrue up to and including the date title to the property is transferred to the mortgage holder, the lienholder, or a third party in the foreclosure action shall be paid in order for title to transfer.

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

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

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

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

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

(2) the name of the municipality as grantee;

(3) the date of the agreement;

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

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

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

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

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

(f) The combined amount of the assessment plus any outstanding mortgage obligations for the property shall not exceed 90 percent of the appraised real property value of that property, as stabilized or as complete.

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

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

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

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

(i) Property may be eligible for financing if otherwise qualified improvements were completed and operational not more than 36 months prior to submission of the application to the Program. Waivers to the 36-month requirement may be granted in the sole discretion of the program administrator.

(j) This section shall not be construed to affect a taxpayer's liability, or municipality's responsibility for payment, under 32 V.S.A. § 5402.

§ 3277. PROGRAM ADMINISTRATORS

(a) An entity that administers the commercial property-assessed clean energy program or C-PACE Program under this subchapter shall be referred to as a program administrator. A municipality, a public agency, or a private entity may serve as a program administrator.

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

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

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

(c) An entity may:

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

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

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

Sec. 14b. 24 V.S.A. § 3263 is amended to read:

§ 3263. COSTS OF OPERATION OF DISTRICT

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

Sec. 14c. 24 V.S.A. § 3264 is amended to read:

§ 3264. RIGHTS OF PROPERTY OWNERS

A property owner who has entered into a written agreement with the municipality under section 3262 or section 3276 of this title may enter into a private agreement for the installation or construction of a project relating to renewable energy, as defined in 30 V.S.A. § 8002(17), relating to resiliency improvements as defined in section 3275 of this title, or relating to energy efficiency as defined in section 3267 of this title.

Sec. 14d. 24 V.S.A. § 3265 is amended to read:

§ 3265. LIABILITY OF MUNICIPALITY

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

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

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

Sec. 14e. 24 V.S.A. § 3268 is amended to read:

§ 3268. RELEASE OF LIEN

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

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

Sec. 14f. 24 V.S.A. § 3255 is amended to read:

§ 3255. COLLECTION OF ASSESSMENTS; LIENS

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

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

Sec. 14g. 9 V.S.A. § 46 is amended to read:

§ 46. EXCEPTIONS

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

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

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

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

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

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

* * * Effective Date * * *

Sec. 15. EFFECTIVE DATE

This act shall take effect on passage.

NEW BUSINESS

Third Reading

S. 329.

An act relating to criminal procedures involving firearms.

H. 816.

An act relating to regulating the use of artificial intelligence in the provision of mental health services.

H. 921.

An act relating to alcoholic beverages.

H. 930.

An act relating to addressing and preventing chronic absenteeism.

Proposal of amendment to H. 930 to be offered by Senator Gulick before Third Reading

Senator Gulick moves that the Senate propose to the House to amend the bill by adding one new section to be Sec. 7a to read as follows:

Sec. 7a. 16 V.S.A. § 166b(b) is amended to read:

(b) Enrollment.

(1) Prior to acknowledgement of enrollment as required pursuant to subdivision (2) of this subsection, the Secretary or designee shall provide notice of the enrollment application to the superintendent of the student's resident school district. The superintendent and the Department for Children and Families shall notify the Agency if there are documented and unresolved

concerns related to child welfare, educational neglect, or truancy involving the student, to the extent allowed by law.

(2) Within 10 business days following submission of a complete enrollment notice, the Secretary or designee shall send the home study program a written acknowledgment of receipt, which shall constitute sufficient enrollment verification for purposes of section 1121 of this title.

Second Reading

Favorable

H. 635.

An act relating to eliminating Department of Corrections supervisory fees.

Reported favorably by Senator Plunkett for the Committee on Institutions.

(Committee vote: 4-0-1)

(For House amendments, see House Journal of March 10, 2026, page 3150)

Reported favorably by Senator Beck for the Committee on Finance.

(Committee vote: 7-0-0)

House Proposal of Amendment

S. 239.

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

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

Sec. 1. CHILD ABUSE AND NEGLECT REPORTING WORKING GROUP; REPORT

(a) The General Assembly finds:

(1) According to Child Trends, a research organization focused on improving the lives of children, youth, and families, data shows that from 2022 through 2024 Vermont had a rate of referrals to child welfare services that was over three times higher than the national level, with a rate of referral of 166 per 1,000 children in Vermont compared to 50 per 1,000 children nationally. Additionally, only 17 percent of such referrals in Vermont met the criteria for further action via an assessment or investigation compared to 54 percent nationally.

(2) While the General Assembly recently reviewed and revised child abuse and neglect substantiation procedures that occur after a referral has been

accepted by the Department for Children and Families, there has not been a similar review of the training and requirements for mandatory reporting of suspected child abuse or neglect to ensure they employ best practices and provide sufficient guidance and resources for mandatory reporters.

(3) Data from Child Trends further shows that post-response services such as mental health services, substance misuse treatment, family therapy, child care, parenting education, and resources to assist families living in poverty were provided to only 28 percent of victims in Vermont compared with the national average of 57 percent.

(4) The provision of services to children and families prior to, during, and after a report of suspected child abuse or neglect is an essential element in a comprehensive child protection system.

(b) There is created the Child Abuse and Neglect Reporting Working Group for the purpose of examining the existing statutes and the Department for Children and Families' rules and policies regarding mandatory reporting of abuse and neglect of a child and recommending changes to modernize them and reflect current best practices. During its examination of mandatory reporting, the Working Group shall consider what services and strategies may be employed prior to any report of suspected abuse or neglect for the purpose of providing assistance to families before a situation rises to the level of requiring a report.

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

(1) a member with lived experience as an abused or neglected child, appointed by the Vermont Child, Youth, and Family Advisory Council;

(2) a member with lived experience as an individual who was reported for suspected child abuse or neglect and an investigation found the report to be unsubstantiated, appointed by the Vermont Parent Representation Center;

(3) the Vermont Child, Youth, and Family Advocate or Deputy Advocate;

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

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

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

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

(8) the Director of the Vermont Parent Child Center Network or designee;

(9) a certified law enforcement officer who has served on a special investigative unit, appointed by the Vermont Law Enforcement Advisory Board;

(10) a physician co-chair of the Vermont Citizen's Advisory Board;

(11) a principal, appointed by the Vermont Principals' Association;

(12) a representative of a designated agency that works in children's mental health, appointed by Vermont Care Partners; and

(13) the Vermont Office of Racial Equity.

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

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

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

(3) the Juvenile Division of the Office of the Defender General;

(4) KidSafe Collaborative;

(5) Voices for Vermont's Children;

(6) the Vermont Parent Representation Center;

(7) Disability Rights Vermont;

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

(9) the Office of the Attorney General;

(10) the Vermont School Counselor's Association; and

(11) the Agency of Education.

(e) On or before April 1, 2027, the Working Group shall provide an interim presentation to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Judiciary on its work to date. On or before October 1, 2027, the Working Group shall provide a final report detailing its findings and any recommended legislative proposals to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Judiciary.

(f)(1) In developing its recommendations, the Working Group shall prioritize issues related to:

(A) providing clarity regarding statutory definitions applicable to mandatory reporters;

(B) establishing consistency between statutory requirements and Department for Children and Families rules, guidance, and training materials;

(C) identifying practical implementation challenges faced by mandatory reporters in complying with existing law;

(D) assessing the appropriateness and efficacy of provisions in 33 V.S.A. §§ 4912 and 4913 regarding the definitions applicable to mandatory reporters, who should be a mandatory reporter, the process for mandatory reporting, the penalties for failure to report, and any exemptions from the reporting requirement; and

(E) identifying alternatives to reporting suspected child abuse or neglect when such alternatives are in the best interests of the child.

(2) The Working Group shall avoid expanding its review into matters unrelated to mandatory reporting obligations, thresholds, or processes unless necessary to resolve an identified reporting issue.

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

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

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

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

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

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

(3) Members of the Working Group who are not otherwise compensated for their attendance at meetings shall be entitled to per diem compensation and

reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

(4) The Department for Children and Families shall post information about the Working Group's efforts on its website, including meeting notices, agendas, procedures for public comment, and minutes of meetings.

Sec. 2. EFFECTIVE DATE

This act shall take effect on passage.

NOTICE CALENDAR

GOVERNOR'S VETO

S. 218.

An act relating to reducing chloride contamination of State waters

Pending question (to be voted by call of the roll): Shall the bill pass, notwithstanding the Governor's refusal to approve the bill? (Two-thirds of the members present required to override the Governor's veto.)

The text of the Communication from His Excellency, The Governor, whereby he *vetoed* and returned unsigned **Senate Bill No. S. 218** to the Senate is as follows:

Text of Communication from Governor

May 6, 2026

The Honorable John Bloomer
Secretary of the Senate
State House
Montpelier, VT 05633

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning unsigned and without my approval, in the time permitted by the Constitution, S.218, *An act relating to reducing chloride contamination of state waters.*

I agree with the bill's intent and while we've made progress over the years, I believe we should continue to limit the amount of salt that eventually ends up in our waterways. However, I'm concerned about the liability and unintended consequences this bill creates.

By requiring Vermont's municipalities and commercial businesses to reduce the amount of salt and salt alternatives used to make roadways, parking lots, stairs and sidewalks safer during the winter months, it could result in more

injuries and vehicle accidents leading to increased liability, risk of litigation, and expense.

If this is a priority, the Legislature should add a provision relieving municipalities and private entities of this new legal risk rather than increasing the financial burden of this policy on Vermonters.

Sincerely,

Philip B. Scott
Governor

Text of bill as passed by Senate and House

S.218

An act relating to reducing chloride contamination of State waters

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. PURPOSE

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

Sec. 2. 10 V.S.A. chapter 47, subchapter 3B is added to read:

Subchapter 3B. Chloride Contamination Reduction Program

§ 1361. DEFINITIONS

As used in this subchapter:

(1) "Apply salt" or "application of salt" means to apply salt or a salt alternative to roadways, parking lots, or sidewalks for the purpose of winter maintenance or for summer dust control. "Apply salt" or "application of salt" does not mean the application of salt to a transportation infrastructure construction project.

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

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

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

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

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

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

§ 1362. CHLORIDE CONTAMINATION REDUCTION PROGRAM

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

(b) As part of the Program, the Secretary of Natural Resources, on or before July 1, 2027, shall adopt by rule best management practices for the application of salt or salt alternatives by commercial salt applicators. The best management practices may be based on practices currently implemented by the Agency of Transportation or other entities. The best management practices shall:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

§ 1363. AFFIRMATIVE DEFENSE; SALT APPLICATION

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

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

(2) any failure or delay in removing or mitigating the hazard is the result of the certified commercial salt applicator's implementation of the best management practices established under section 1362 of this title for the application of salt or salt alternatives.

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

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

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

§ 1364. ENFORCEMENT; PRESUMPTION OF COMPLIANCE; WATER QUALITY

(a) A certified commercial salt applicator or a commercial salt applicator employed by a certified master commercial salt applicator is entitled to a rebuttable presumption that the certified commercial salt applicator or commercial salt applicator is in compliance with the requirements of sections 1263 and 1264 of this title when applying salt or salt alternatives according to the best management practices established under section 1362 of this title. The rebuttable presumption under this subsection shall not apply to the requirements of a total maximum daily load plan required under this chapter or the requirements of a municipal separate storm sewer system permit required under section 1264 of this title.

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

§ 1365. EDUCATION AND OUTREACH

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

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

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

Sec. 3. ANR REPORT ON MANAGEMENT OF SALT AND SAND STORAGE FACILITIES

On or before January 15, 2027, the Secretary of Natural Resources shall submit to the House Committees on Environment and on Transportation and the Senate Committees on Natural Resources and Energy and on Transportation a report regarding the management of State and municipal facilities (facilities) for the storage of salt, salt and sand mixtures, salt alternatives, and sand that is not mixed with salt. The report shall include:

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

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

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

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

(5) an estimate of the total cost to cover or move facilities for the storage of salt, salt and sand mixtures, salt alternatives, or sand that is not mixed with salt, including an estimate of the time necessary to cover or move all facilities requiring cover or movement and an estimated annual amount of funding that would be needed for cover or movement.

Sec. 4. MUNICIPAL SALT APPLICATORS; VERMONT LOCAL ROADS CURRICULUM; AFFIRMATIVE DEFENSE

(a)(1) On or before November 1, 2027, the Secretary of Natural Resources, in collaboration with the Secretary of Transportation, shall identify and make the changes to the Vermont Local Roads curriculum needed to support municipal salt applicators in meeting the purpose of this act, including training on best management practices for spreading salt or salt alternatives on roads, parking lots, and sidewalks.

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

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

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

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

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

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

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

(e) In order to assert the affirmative defense provided under subsection (b) of this section, a municipality shall keep a record describing its road, parking lot, and property maintenance practices, consistent with the requirements determined by the Secretary under 10 V.S.A. chapter 47, subchapter 3B. The record shall include the type and rate of application of salt and salt alternatives used, the dates of treatment, and the weather conditions for each event requiring deicing. Such records shall be retained by the applicator for a period of three years.

Sec. 5. FEE REPORT

On or before January 15, 2027, the Secretary of Natural Resources shall solicit interest from third-party vendors for training and certifying commercial salt applicators under 10 V.S.A. chapter 47, subchapter 3B. The Secretary shall recommend to the House Committees on Environment and on Ways and Means and the Senate Committees on Natural Resources and Energy and on Finance a fee to be charged either by the State or by a third-party vendor for the certification of commercial salt applicators under 10 V.S.A. chapter 47, subchapter 3B. The Secretary of Natural Resources, after consultation with the Secretary of Transportation, shall recommend to the House Committees on Environment and on Ways and Means and the Senate Committees on Natural Resources and Energy and on Finance a fee to be charged either by the State or by a third-party vendor for the certification of commercial salt applicators under 10 V.S.A. chapter 47, subchapter 3B and a fee to be charged to municipal salt applicators completing the salt applicator training set forth under Sec. 4 of this act. Any fee charged to commercial salt applicators or municipal salt applicators by the State or a third-party vendor for certification under the Chloride Contamination Reduction Program or under the Vermont Local Roads curriculum shall be approved by the General Assembly.

Sec. 6. CONTINGENT IMPLEMENTATION; FUNDING

The duty of the Agency of Natural Resources to implement Secs. 2 (Chloride Contamination Reduction Program), 4 (municipal salt applicators), and 5 (fee report) of this act is contingent upon an appropriation from the General Fund for the specific purposes described in Secs. 2, 4, and 5 of this act.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

Second Reading

Favorable

H. 171.

An act relating to criminal justice agency protocols for an officer-involved shooting.

Reported favorably by Senator Norris for the Committee on Judiciary.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 18, 2026, pages 3337-3338)

Favorable with Proposal of Amendment

H. 567.

An act relating to unclaimed property, State retirement systems, and capital debt.

Reported favorably by Senator White for the Committee on Government Operations.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 25, 2026, pages 3561-3563)

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

The Committee recommends that the Senate propose to the House to amend the bill by adding a reader assistance heading and a new section to be Sec. 24a to read as follows:

* * * Vermont Higher Education Endowment Trust Fund Report * * *

Sec. 24a. VERMONT HIGHER EDUCATION ENDOWMENT TRUST FUND REPORT

(a) On or before January 15, 2027, the State Treasurer shall submit a written report to the House Committees on Education and on Ways and Means and the Senate Committees on Education and on Finance regarding the Vermont Higher Education Endowment Trust Fund.

(b) As part of the report, the Treasurer shall provide recommendations on the following items:

(1) mechanisms, including requiring consultation with the Vermont Higher Education Endowment Trust Fund Council, for ensuring appropriate fiduciary oversight of the use of the Fund to ensure that the endowed funds, including principal and interest earnings, are available for the intended purpose of providing scholarships to Vermont students;

(2) how to expand or modify the membership of the Council to include student representatives of the recipient institutions of higher education; and

(3) how to expand the scope of scholarship awards, including award amounts, types of degrees covered, and institutions of higher education included in the scholarship program.

(c) In developing the report required by this section, the Treasurer shall consult with the Council and the respective student government associations of the University of Vermont, Community College of Vermont, and other institutions within the Vermont State Colleges System.

(Committee vote: 6-0-1)

H. 577.

An act relating to establishing the Vermont Prescription Drug Discount Card Program.

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

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

First: In Sec. 1, 18 V.S.A. chapter 91, subchapter 7, in section 4691, by striking out subsection (e) in its entirety and inserting in lieu thereof a new subsection (e) to read as follows:

(e) On or before January 15, 2028, and annually thereafter, the State Treasurer shall submit a report to the House Committee on Health Care, the Senate Committee on Health and Welfare, and the Governor detailing the activities of the Program during the previous calendar year, including the number of Vermont residents and pharmacies participating in the Program; the amount of savings on prescription drug costs achieved; and the impact, if any, of the Program on the viability of Vermont's pharmacies.

Second: In Sec. 3a, 32 V.S.A. § 111, in subsection (b), in the second sentence, following "Drug Discount", by inserting "Card" preceding "Program"

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 24, 2026, pages 3491-3499)

Reported favorably by Senator Gulick for the Committee on Finance.

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

(Committee vote: 7-0-0)

Reported favorably by Senator Lyons for the Committee on Appropriations.

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

(Committee vote: 5-0-2)

H. 583.

An act relating to clinical decision making.

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

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

First: In subsection (a), following "On or before", by striking out "July 1, 2026" and inserting in lieu thereof "March 1, 2027"

Second: In subsection (c), following "After", by striking out "July 1, 2026" and inserting in lieu thereof "March 1, 2027"

Third: By inserting a subsection (d) to read:

(d) The Green Mountain Care Board shall collaborate with relevant stakeholders to develop the processes for reporting data pursuant to this section and the Agency of Human Services shall provide relevant, necessary data to the Board.

and by relettering the remaining subsections accordingly

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 19, 2026, pages 3401-3409)

H. 588.

An act relating to professions and occupations regulated by the Office of Professional Regulation.

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

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

* * * General Powers * * *

Sec. 1. 3 V.S.A. § 123 is amended to read:

§ 123. DUTIES OF OFFICE

(a) The Office shall provide administrative, secretarial, financial, investigatory, inspection, and legal services to the boards. The services provided by the Office shall include:

* * *

(2) Issuing, recording, renewing, and reinstating all licenses as ordered by the boards, an appellate officer, the Director, an administrative law officer, or a court.

(3) Revoking, rescinding, or suspending licenses as ordered by the boards, the Director, an administrative law officer, or a court.

* * *

(14) Adopting rules to establish a program to serve as an alternative to the disciplinary process for regulated professionals with substance use disorders or other professional practice issues as designated by the boards or Director.

* * *

Sec. 2. 3 V.S.A. § 129 is amended to read:

§ 129. POWERS OF BOARDS OR OF DIRECTOR IN ADVISOR PROFESSIONS; DISCIPLINE ~~PROCESS~~ AND RESCISSION PROCESSES

* * *

(d) A board or the Director shall notify parties, in writing, of their right to appeal final decisions of the board. A board or the Director shall also notify complainants in writing of the result of any disciplinary investigation made

with reference to a complaint brought by them to the board or Director. When a disciplinary investigation results in a stipulation filed with the ~~board~~ docket clerk, the board or the Director shall provide the complainant with a copy of the stipulation and notice of the stipulation review scheduled before the board or hearing authority. The complainant shall have the right to be heard at the stipulation review.

* * *

(j) Hearings involving denials or rescissions of licensure or disciplinary matters concerning persons in professions that have advisor appointees shall be heard by an administrative law officer appointed by the Secretary of State.

* * *

Sec. 3. 3 V.S.A. § 129c is added to read:

§ 129c. RESCISSIONS

(a) The Director may rescind a license or compact privilege issued by the Office of Professional Regulation under the following circumstances:

(1) it is discovered that an administrative mistake has occurred resulting in the erroneous issuance of the license;

(2) payment is not remitted for any application fee pursuant to section 125 of this title; or

(3) if, for a compact license or privilege:

(A) either:

(i) this State or the compact license or privilege holder's home state of licensure ceases participating in the relevant licensing compact; or

(ii) the compact license or privilege holder ceases to hold an unencumbered home-state license; and

(B) the compact license or privilege holder does not obtain a full Vermont license within 30 days.

(b) The rescission process shall be as set forth in this subsection.

(1) License active for less than 30 days.

(A) If the individual's license has been active for less than 30 days, the Director shall initially rescind the license for any reason enumerated in subsection (a) of this section.

(B) The individual shall be immediately notified of the rescission, the reason for rescission, and procedural rights.

(C) The individual shall be provided an opportunity to have the rescission reviewed by either an administrative law officer or the relevant board. In any review, the Director shall have the burden of proving the rescission is merited. Any review shall commence not later than 30 days after the rescission, and a decision in any review shall be rendered within 40 days following the rescission. The decision shall either reverse the Director's rescission, in which case the license shall be immediately reinstated, or affirm the Director's rescission and be deemed a final decision of the administrative law officer or board.

(D) In the event of an administrative law officer or board affirming the Director's rescission, the individual shall be provided notice and the ability to appeal the Director's rescission in accordance with section 130a of this title; however, the individual shall have the burden of proving the rescission is not merited.

(2) License active for 30 days or more.

(A) If the individual's license has been active for 30 days or more, and the Director determines there is a reason for rescission as enumerated in subsection (a) of this section, the Director shall provide notice to the individual that, after 30 days from issuing the notice, the Director intends to rescind the individual's license. The notice shall also include the reason for rescission and the individual's procedural rights.

(B) The individual shall be provided an opportunity to have a hearing to determine the merits of a rescission. The individual shall have 30 days from when the Director's notice was issued to indicate if the individual elects to have a hearing. In the event the individual either elects not to have a hearing or declines to answer within the allotted 30 days, Director shall rescind the individual's license and the individual shall be foreclosed from appealing the decision pursuant to subdivision (D) of this subdivision (b)(2). In the event the individual elects to have a hearing, any rescission shall be stayed until a hearing decision is rendered.

(C) Any hearing shall be held in accordance with section 129 of this title and the resulting decision shall either affirm or reverse the Director's rescission of the individual license.

(D) In the event of a hearing decision finding that the Director's rescission of the individual's license is merited, the individual shall be provided notice and the ability to appeal the Director's rescission in accordance with section 130a of this title; however, the individual shall have the burden of proving the rescission is not merited.

(c) A rescission of a license shall not be recorded as an adverse action taken against the individual or any other misconduct or unprofessional conduct for purposes of the individual's other currently held licenses or future licensure applications.

(d) Upon becoming aware of the State either withdrawing from any licensure compact described in Title 26 or when a licensure compact described in Title 26 becomes no longer binding on the State, the Office of Professional Regulation shall notify as soon as practicable all affected licensees practicing in the State. An individual's license may not be rescinded if the Office fails to provide the notice.

Sec. 4. 3 V.S.A. § 128 is amended to read:

§ 128. DISCIPLINARY ACTION TO BE REPORTED TO THE OFFICE

(a)(1) Any hospital, clinic, community mental health center, or other health care institution in which a licensee performs professional services shall report to the Office, along with supporting information and evidence, any disciplinary action taken by it or its staff that limits or conditions the licensee's privilege to practice or leads to suspension or expulsion from the institution.

* * *

(3) This section shall ~~not~~ apply to cases of resignation, separation from service, or changes in privileges that are ~~unrelated~~ related to:

(A) a disciplinary or adverse action;

(B) an adverse action report to the National Practitioner Data Bank;

(C) an unexpected adverse outcome in the care or treatment of a patient;

(D) misconduct or allegations of misconduct;

(E) the initiation or process of an action to limit, condition, or suspend a licensee's privilege to practice in an institution;

(F) an action to expel the licensee from an institution; or

(G) any other action that could lead to an outcome described in subdivisions (A) through (F) of this subdivision (3).

* * *

Sec. 5. 3 V.S.A. § 129a is amended to read:

§ 129a. UNPROFESSIONAL CONDUCT

(a) In addition to any other provision of law, the following conduct by a licensee constitutes unprofessional conduct. When that conduct is by an applicant or person who later becomes an applicant, it may constitute grounds for denial of a license or other disciplinary action. Any one of the following items or any combination of items, whether the conduct at issue was committed within or outside the State, shall constitute unprofessional conduct:

(1) Fraudulent or deceptive procurement or use of a license or attempted fraudulent or deceptive procurement or use of a license by making or causing to be made a false, fraudulent, or forged statement or representation.

* * *

(g) Notwithstanding the provisions of this section or any other law to the contrary, the Director may adopt rules permitting a licensee to enter, at the Director's discretion, into a program serving as an alternative to the disciplinary process for regulated professionals with substance use disorders or other professional practice issues as designated by the boards or Director.

Sec. 6. 3 V.S.A. § 129b is amended to read:

§ 129b. BOARD MEMBER AND ADVISOR APPOINTMENTS

(a) Notwithstanding any provision of law to the contrary relating to terms of office and appointments for members of boards attached to the Office of Professional Regulation, all board members appointed by the Governor shall be the age of majority, appointed for staggered five-year terms, and ~~shall~~ serve at the pleasure of the Governor. Appointments under this section shall not be subject to the advice and consent of the Senate. The Governor may remove any member of a board as provided in section 2004 of this title. Vacancies created other than by expiration of a term shall be filled in the same manner that the initial appointment was made for the unexpired portion of the term. Terms shall begin on January 1 of the year of appointment and run through December 31 of the last year of the term. The Governor may request nominations from any source but shall not be bound to select board members from among the persons nominated. As provided in section 2004 of this title, board members shall hold office and serve until a successor has been appointed.

* * *

Sec. 7. 3 V.S.A. § 137 is amended to read:

§ 137. UNIFORM PROCESS FOR FOREIGN CREDENTIAL VERIFICATION

* * *

(d) The provisions relating to ~~preliminary~~ license denials set forth in subsection 129(e) of this subchapter shall apply to a license application that is ~~preliminarily~~ denied for nonequivalence under this section.

* * * Accountants * * *

Sec. 8. 26 V.S.A. § 13 is amended to read:

§ 13. DEFINITIONS

As used in this chapter:

* * *

(7) ~~"Good character" means fiscal integrity, and a lack of any history of acts involving dishonesty, false statements, or fraud.~~ [Repealed.]

* * *

(11) "Principal place of business" means the office location designated by the licensee for the purposes of ~~substantial equivalency~~ mobility and reciprocity.

* * *

Sec. 9. 26 V.S.A. § 71a is amended to read:

§ 71a. LICENSE BY EXAMINATION

(a) ~~A license~~ To qualify for licensure as a ~~"certified public accountant" shall be granted by the Board to any person~~ certified public accountant, an applicant must:

(1) ~~who is of good character;~~

~~(2) who completes~~ complete any one of the following requirements for education and experience:

(A) a postbaccalaureate degree from a college or university recognized by the Board with a concentration in accounting or an equivalent and one year of experience in public accounting, meeting the requirements prescribed by Board rule;

(B) 150 or more semester hours of college credit at a college or university recognized by the Board, including a baccalaureate degree and a minimum of 42 semester hours of accounting, auditing, and related subjects as the Board determines to be appropriate, and one year of experience in public accounting, meeting the requirements prescribed by Board rule ~~or other experience or employment that the Board in its discretion considers substantially equivalent~~; ~~and~~ or

(C) a baccalaureate degree from a college or university recognized by the Board with a concentration in accounting or an equivalent and two years of experience in public accounting, meeting the requirements prescribed by Board rule; and

~~(3)~~(2) ~~who has passed~~ pass the examination required under subsection (b) of this section.

(b) The Board shall administer an examination using a nationally recognized uniform certified public accountants' examination and advisory grading service.

(c) An applicant who has not yet completed a baccalaureate degree may sit for the exam upon the completion of 120 semester hours at an institution recognized by the Board, including a minimum of 30 semester hours of accounting, auditing, and related subjects as the Board determines to be appropriate.

Sec. 10. 26 V.S.A. § 74c is amended to read:

§ 74c. ~~SUBSTANTIAL EQUIVALENCY~~ MOBILITY

(a) An individual whose principal place of business is not in this State shall ~~be presumed to have qualifications substantially equivalent to this State's requirements and shall~~ have the privileges of licensure of this State, without the need to obtain a license under section 72b of this title, if the individual:

(1) holds a valid license as a certified public accountant from ~~a~~ any state ~~the Board determines has licensure requirements substantially equivalent to the requirements of the AICPA/NASBA Uniform Accountancy Act~~; ~~or~~ and

(2) ~~holds a valid license as a certified public accountant from any state, and the individual obtains verification from the NASBA National Qualification Appraisal Service that the individual's qualifications are substantially equivalent to the licensure requirements of the AICPA/NASBA Uniform Accountancy Act. An individual who passed the uniform CPA examination and holds a valid license issued by any state prior to January 1, 2012 shall be exempt from the education requirements of subdivision 5(c)(2) of the Uniform Accountancy Act for purposes of this section.~~ has passed the uniform CPA examination and has met any one of the following requirements for education and experience in accordance with rules adopted by the Board:

(A) a post-baccalaureate degree from a college or university with a concentration in accounting or an equivalent and one year of experience in public accounting;

(B) 150 or more semester hours of college credit at a college or university, including a baccalaureate degree and a minimum of 42 semester hours of accounting, auditing, and related subjects, and one year of experience in public accounting; or

(C) a baccalaureate degree from a college or university with a concentration in accounting or an equivalent and two years of experience in public accounting.

* * *

(g) An individual whose principal place of business is not in this State, who holds a valid active license as a certified public accountant from any state, and who, as of December 31, 2024, had practice privileges in this State under this section shall continue to have all the privileges of licensees in this State without the need to obtain a license under section 71a of this title, pursuant to all other requirements of this chapter.

* * * Dentists * * *

Sec. 11. 26 V.S.A. § 603 is added to read:

§ 603. LIMITED ACADEMIC DENTIST LICENSE

(a) Scope of dentist practice. A limited academic dentist license is a credential that authorizes the practice of dentistry only:

(1) at a teaching facility operated by a dental program that is accredited by the American Dental Association's Commission on Dental Accreditation to grant doctoral degrees in dental medicine or dental surgery; and

(2) under the general supervision of a dentist who is fully licensed in good standing in Vermont.

(b) Eligibility. To qualify for a limited academic dentist license, an applicant must:

(1) be appointed as a full-time dental instructor of an accredited dental program;

(2) hold a dental degree sufficient for licensure by examination under section 601 of this title; and

(3) complete any courses in emergency office procedures or cardiopulmonary resuscitation required for a licensed dentist.

(c) Specialties unavailable. A limited academic dentist license holder who is not otherwise licensed as a dentist in this State is ineligible for sedation and general anesthesia specialties.

(d) Notification of termination required. A limited academic dentist license holder must notify the Office within 48 hours after any termination as a full-time dental instructor. Continued practice after termination constitutes unauthorized practice under 3 V.S.A. § 127.

(e) Renewal. For license renewal, a limited academic dentist license holder must:

(1) meet all renewal requirements set forth in subsections 661(a)–(d) for a licensed dentist, except no fee is required; and

(2) continue to be a full-time dental instructor of an accredited dental program.

Sec. 12. 26 V.S.A. § 662 is amended to read:

§ 662. FEES

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

(1) Application

(A) Dentist $285.00

(B) Limited academic dentist $0.00

(C) Dental therapist $215.00

~~(C)~~(D) Dental hygienist $200.00

~~(D)~~(E) Dental assistant $80.00

(2) Biennial renewal

(A) Dentist $655.00

(B) Limited academic dentist $0.00

(C) Dental therapist $310.00

~~(C)~~(D) Dental hygienist $245.00

~~(D)~~(E) Dental assistant $105.00

(b) The licensing fee for a dentist, dental therapist, or dental hygienist or the registration fee for a dental assistant who is otherwise eligible for licensure or registration and whose practice in this State will be limited to providing pro bono services at a free or reduced-fee clinic or similar setting approved by the Board shall be waived.

* * * Funeral Services * * *

Sec. 13. 26 V.S.A. § 1211 is amended to read:

§ 1211. DEFINITIONS

(a) As used in this chapter, unless a contrary meaning is required by the context:

* * *

(6) "Practice of funeral service" means arranging, directing, or providing for the care, preparation, or disposition of dead human bodies for a fee or other compensation. This includes:

(A) meeting with the public to select a method of disposition or funeral observance and merchandise;

(B) entering into contracts, either at-need or pre-need, for the provision of dispositions, funeral observances, and merchandise;

(C) arranging, directing, or performing the removal or transportation of a dead human body;

(D) securing or filing certificates, permits, forms, or other documents;

(E) supervising or arranging a funeral, memorial, viewing, or graveside observance; ~~and~~

(F) holding oneself out to be a licensed funeral director by using the words or terms "funeral director," "mortician," "undertaker," or any other words, terms, title, or picture that, when considered in context, would imply that such person is engaged in the practice of funeral service or is a licensed funeral director; and

(G) providing for the disposition of dead human bodies by cremation, alkaline hydrolysis, or natural organic reduction.

* * *

(c) Notwithstanding this section, owners of a disposition facility and their personnel may engage in the listed activities in subdivision (a)(6) of this section only to the extent such functions are necessary to the performance of their duties. Specifically, personnel at a disposition facility may:

(1) provide for the disposition of dead human bodies by cremation, alkaline hydrolysis, or natural organic reduction and meet with the public to arrange ~~and provide~~ for the disposition;

(2) enter into contracts, without taking prepaid funds, for the ~~provision of dispositions~~ disposition by cremation, alkaline hydrolysis, or natural organic reduction;

(3) arrange, direct, or perform the removal or transportation of a dead human body, provided that removals are performed by licensed removal personnel; and

(4) secure and file certificates, permits, forms, or other documents.

* * * Nursing; Advanced Practice Registered Nurses * * *

Sec. 14. 26 V.S.A. § 1614 is amended to read:

§ 1614. APRN RENEWAL

An APRN license renewal application shall include:

(1) documentation of ~~completion of the APRN practice requirement;~~

~~(2) possession of~~ a current certification by a national APRN specialty certifying organization; and

~~(3)~~(2) a current collaborative provider agreement if required for transition to practice.

* * * Pharmacists * * *

Sec. 14a. 26 V.S.A. § 2023 is amended to read:

§ 2023. CLINICAL PHARMACY; PRESCRIBING AND TESTING

(a) In accordance with applicable rules adopted by the Board, a pharmacist may engage in the practice of clinical pharmacy, including prescribing as set forth in subsection (b) of this section, provided that a pharmacist shall not:

* * *

(3) initiate antibiotic therapy, except pursuant to a collaborative practice agreement or state protocol.

(b) A pharmacist may prescribe in the following contexts:

* * *

(2) State protocol.

(A) A pharmacist may prescribe, order, or administer in a manner consistent with valid State protocols that are approved by the Commissioner of Health after consultation with the Director of Professional Regulation and the Board and the ability for public comment:

* * *

(x) emergency prescribing of albuterol or glucagon while contemporaneously contacting emergency services;

~~(xi) tests for COVID-19 for individuals by entities holding a Certificate of Waiver pursuant to the Clinical Laboratory Amendments of 1988 (42 U.S.C. § 263a). If a test for COVID-19, prescribed, ordered, or administered by a pharmacist in accordance with this section and the resulting State protocol incidentally detects influenza or human respiratory syncytial virus, a pharmacist shall advise the individual tested that the results indicate influenza or human respiratory syncytial virus infection and recommend to the individual to seek further care from an appropriate health care provider;~~

~~(xii) tests for SARS-CoV for asymptomatic individuals or related serology for individuals by entities holding a Certificate of Waiver pursuant to the Clinical Laboratory Amendments of 1988 (42 U.S.C. § 263a); and~~

~~(xiii)~~(xi) emergency contraception;

(xii) tests waived under 42 C.F.R. § 493.15 for COVID-19, influenza, and streptococcal pharyngitis and subsequent drug treatment; and

(xiii) medications for the prevention of human immunodeficiency virus, including those for pre-exposure and post-exposure prophylaxis.

* * *

Sec. 14b. 26 V.S.A. § 2022 is amended to read:

§ 2022. DEFINITIONS

As used in this chapter:

* * *

(14) "Pharmacy technician" means an individual who, only while assisting and under the supervision of a licensed pharmacist, performs tasks relative to dispensing prescription drugs, administering immunizations, and performing tests for COVID-19, influenza, and streptococcal pharyngitis. Pharmacy technicians shall administer immunizations and perform authorized tests ~~for COVID-19~~ in compliance and accordance with section 2042a of this title.

* * *

Sec. 14c. 26 V.S.A. § 2042a is amended to read:

§ 2042a. PHARMACY TECHNICIANS; QUALIFICATIONS FOR REGISTRATION

* * *

(e) Pharmacy technicians performing authorized ~~COVID-19~~ tests shall do so only:

(1) when a licensed pharmacist who is trained to perform authorized ~~COVID-19~~ tests is present and able to assist with the test, as needed; and

(2) in accordance with a State protocol adopted under subdivision 2023(b)(2)(A)~~(x)~~ of this title or pursuant to a standing order of the Commissioner of Health~~; and~~

~~(3) in accordance with rules adopted by the Board~~.

(f) The Board may adopt rules regarding the administration of immunizations and the performance of authorized ~~COVID-19~~ tests by pharmacy technicians.

* * * Psychologists * * *

Sec. 15. TEMPORARY PSYCHOLOGIST LICENSURE EDUCATIONAL SUPPLEMENTATION

(a) Notwithstanding the provisions of 26 V.S.A. chapter 55, 3 V.S.A. chapter 25, or any contrary rule, the Director of the Office of Professional Regulation may develop and implement temporary policies permitting supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists.

(b) Policies adopted pursuant to this section shall be:

(1) developed in consultation with the Board of Psychological Examiners and the Vermont Psychological Association;

(2) consistent with 26 V.S.A. chapter 57; and

(3) made available to the public.

(c) The Director's powers granted pursuant to this section and any temporary policies adopted pursuant to this section shall be in effect only until either July 1, 2029, or when the Board of Psychological Examiners adopts permanent rules regarding supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists, whichever occurs first.

(d) On or before July 1, 2029, the Board shall adopt updated rules regarding the supplementation of a master's or doctoral degree, pursuant to 26 V.S.A. § 3011a(a)(2), for the licensing of psychologists.

* * * Midwives * * *

Sec. 16. 26 V.S.A. chapter 85 is amended to read:

CHAPTER 85. MIDWIVES

* * *

§ 4185. DIRECTOR; DUTIES

* * *

~~(c)(1) The Director shall appoint an advisory committee to study and report to the Director and to the Commissioner of Health on matters relating to midwifery, including recommendations if necessary for revisions to the administrative rules. The Committee shall focus on improving communication and collaboration among birth providers.~~

~~(2) The Committee shall be composed of at least six members: three midwives licensed under this chapter, two physicians licensed by the Board of Medical Practice or the Board of Osteopathic Physicians and Surgeons, and one advanced practice registered nurse midwife licensed by the Board of Nursing.~~

~~(3) Members of the Committee shall be entitled to compensation at the rate provided in 32 V.S.A. § 1010.~~

* * *

§ 4187. RENEWALS

(a)(1) ~~Biennially, the Director shall forward a renewal form to each licensed midwife~~ A license shall be renewed every two years upon the filing of a renewal application, payment of the required fee, and proof of compliance with renewal requirements. The completed ~~form~~ renewal application shall include verification that during the preceding two years, the licensed midwife has:

(A) completed 20 hours of continuing education approved by the Director by rule;

(B) participated in at least four peer reviews;

(C) ~~submitted individual practice data;~~

~~(D)~~ maintained current cardiopulmonary resuscitation certification; ~~and~~

~~(E)~~(D) filed a timely certificate of birth for each birth at which ~~he or she~~ the licensee was the attending midwife, as required by law; and

(E) maintained current certification by the North American Registry of Midwives.

(2) Upon receipt of the completed form and of the renewal fee, the Director shall issue a renewal license to applicants who qualify under this section.

(b) The Director shall renew a license that has lapsed for a period of three years or less upon receipt of the renewal fee and late renewal penalty, the reinstatement fee, and an application for renewal that shows that the person still meets the eligibility requirements of this chapter and that all the requirements for renewal, including continuing education, have been satisfied. A person shall not be required to pay renewal fees for lapsed years.

(c) The Director may adopt rules to assure that an applicant whose license has lapsed for a period greater than three years may be eligible for licensing, but such rules shall not establish requirements greater than the eligibility requirements of this chapter.

(d) The Director may, as a condition of license renewal, require that licensed midwives submit individual practice data to the Office or its designee. The required data may include information such as client demographics, complications of labor and delivery, breastfeeding and postpartum health, and such other information as the Director may require.

* * * Speech-Language Pathologist Assistants; Sunrise Report * * *

Sec. 17. OFFICE OF PROFESSIONAL REGULATION; SUNRISE REVIEW REPORT; SPEECH-LANGUAGE PATHOLOGIST ASSISTANTS

On or before November 15, 2026, the Office of Professional Regulation, in consultation with speech language pathologists, speech-language pathology assistants, and other interested stakeholders, shall submit to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations a written report, in accordance with 26 V.S.A. chapter 57, on the advised nature of regulation and suggested level of credentialling for speech-language pathologist assistants practicing in the State. In so doing, OPR shall take into consideration its sunrise report completed in 2015.

* * * Massage Therapists, Bodyworkers, and Touch Professionals * * *

Sec. 18. 26 V.S.A. chapter 105 is amended to read:

CHAPTER 105. MASSAGE THERAPISTS, BODYWORKERS, AND TOUCH PROFESSIONALS

Subchapter 1. General Provisions

§ 5401. DEFINITIONS

As used in this chapter:

* * *

(2)~~(A)~~ "Establishment" means any ~~place of business that~~ location:

~~(i)~~(A) ~~offers the practice of massage or the practice of bodywork or where the practice of massage or the practice of bodywork is conducted on the premises of the business~~ where the practice of massage or the practice of bodywork is regularly engaged in; or

~~(ii)~~(B) that represents itself to the public by any title or description of services incorporating the words "touch professional," "bodywork," "massage," "massage therapy," "massage therapist," "massage practitioner," "massagist," "masseur," "masseuse," "energy work," or other words identified by the Director in rules.

~~(B) A "place of business" includes any office, clinic, facility, salon, spa, or other location not otherwise exempted under section 5404 of this chapter where a person or persons engage in the practice of massage or the practice of bodywork.~~

* * *

§ 5403. UNAUTHORIZED PRACTICE

Any individual who owns or operates an unregistered establishment or who engages in the practice of massage or the practice of bodywork without a registration from the Office shall be subject to the penalties provided in 3 V.S.A. § 127 ~~(unauthorized practice)~~.

§ 5404. EXEMPTIONS

* * *

(c) Nothing in this chapter shall prohibit a massage therapist, bodyworker, or touch professional from engaging in or offering the practice of massage or the practice of bodywork at a location that is not ~~an~~ a registered establishment~~,~~ if:

(1) ~~so long as prior to engaging in that practice at that location,~~ the ~~registrant~~ massage therapist and ~~his or her~~ the client agree in advance that the location is acceptable; and

(2) the location is not an establishment as defined in subdivision 5401(2) of this title.

(d) Establishment registration is not required for a location where the practice of massage or the practice of bodywork is provided solely by:

(1) persons exempt from registration; or

(2) a single massage therapist, bodyworker, or touch professional.

* * *

§ 5411. DUTIES OF THE DIRECTOR

* * *

(b) Rules.

(1) The Director shall adopt rules requiring a massage therapist, bodyworker, or touch professional to disclose to each new client before the first treatment the following information:

(A) the professional qualifications and experience of the registrant;

(B) actions that constitute unprofessional conduct;

(C) the method for filing a complaint against a registrant; and

(D) the method for making a consumer inquiry with the Office.

(2) The Director shall adopt rules regarding the display of:

(A) the registrations of employed or contracted massage therapists, bodyworkers, or touch professionals at an establishment; and

(B) information regarding unprofessional conduct and filing complaints with the Office.

(3) The rules described in this subsection shall include provisions relating to the manner in which the information disclosed shall be distributed or displayed and a requirement that a massage therapist, bodyworker, or touch professional and ~~his or her~~ the client sign an acknowledgement that the information was disclosed.

(4) The Director may adopt other rules as necessary to perform ~~his or her~~ the Director's duties under this chapter.

(5) The Director may adopt rules limiting the applicability of this chapter as applied to establishments operated within private homes.

* * *

§ 5423. ESTABLISHMENTS; DESIGNEE AND INSPECTION

(a) An establishment shall ~~designate a massage therapist, bodyworker, or touch professional to be responsible for ensuring the establishment complies~~

~~with the requirements of this chapter and the rules adopted by the Director~~ register with the Office of Professional Regulation. The operation of an establishment without registration shall constitute unauthorized practice under 3 V.S.A. § 127.

(b) An establishment is responsible for ensuring its lawful operation, regardless of whether the establishment's owner is on-site or has personal knowledge of its operations. The Office may prosecute an establishment for unprofessional conduct or unauthorized practice occurring at the establishment.

(c) The Director may require that an application for establishment registration include:

(1) the management and ownership of the business;

(2) the name, location, and licensing history of any past or present massage establishment under the same management or ownership;

(3) the location and ownership of the establishment's premises;

(4) proof of business registration with the Secretary of State; and

(5) other information required by the Director in rule.

(d) The Director may deny an establishment registration of a location where unprofessional conduct, as defined in subdivision 5427(2) or (3) of this title, has previously occurred, even if under different ownership or management. A denial on this basis shall follow the same procedures as a denial for unprofessional conduct under 3 V.S.A. § 129.

(e) A person authorized by the Director may enter any establishment for the purpose of inspection ~~when a complaint has been filed with the Office regarding the practice of massage or the practice of bodywork at that establishment~~. The Director may require an establishment to undergo inspection prior to registration. A fee shall not be charged for any inspection under this subsection.

* * *

§ 5425. FEES

(a) Applicants and persons regulated under this chapter shall pay those fees set forth in 3 V.S.A. § 125(b).

(b) An establishment where the practice of massage or the practice of bodywork is provided by only two massage therapists, bodyworkers, or touch professionals shall pay reduced fees set forth in 3 V.S.A. § 125(b).

§ 5426. DISPLAY OF REGISTRATION

~~A massage therapist, bodyworker, or touch professional shall conspicuously display his or her registration in any establishment where the registrant is engaged in the practice of massage or the practice of bodywork~~ An establishment must conspicuously display the registrations of:

(1) the establishment; and

(2) any massage therapist, bodyworker, or touch professional engaged in the practice of massage or the practice of bodywork in the establishment.

§ 5427. UNPROFESSIONAL CONDUCT

Unprofessional conduct means the conduct set forth in 3 V.S.A. § 129a and the following:

(1) engaging in activities in violation of 13 V.S.A. § 2605 (voyeurism);

(2) engaging ~~in a sexual act~~ with a client in sexual conduct as defined in 13 V.S.A. § 2821:

(A) at an establishment; or

(B) while engaging in, offering to engage in, or purporting to engage in the practice of massage or the practice of bodywork;

(3) meeting a client at an establishment for the purpose of sexual conduct;

~~(3)~~(4) conviction of a crime committed while engaged in the practice of massage or the practice of bodywork;

~~(4)~~(5) performing massage or bodywork that the massage therapist, bodyworker, or touch professional knows or has reason to know has not been authorized by a client or the client's legal representative; ~~and~~

~~(5)~~(6) engaging in conduct of a character likely to deceive, defraud, or harm the public; and

(7) engaging in the practice of massage or the practice of bodywork at an unregistered establishment.

Sec. 18a. 3 V.S.A. § 125 is amended to read:

§ 125. FEES

(a) In addition to the fees otherwise authorized by law, a board or advisor profession may charge the following fees:

(1) Verification of license, $30.00.

(2) An examination fee established by the Secretary, which shall be not greater than the costs associated with examinations.

(3) Reinstatement fees for expired licenses pursuant to section 127 (unauthorized practice) of this title.

(4) Continuing, qualifying, or prelicensing education course approval:

(A) Provider, $100.00.

(B) Individual, $25.00.

(5) A preapplication criminal background determination, $25.00.

(6) Limited temporary license or work permit, $60.00.

(7) Apprenticeship application, $50.00.

(8) Specialty or endorsement to existing license application, $100.00.

(9) Disciplinary action surcharge, $250.00.

(b) Unless otherwise provided by law, the following fees shall apply to all professions regulated by the Director in consultation with advisor appointees under Title 26:

(1) Application for registration, $100.00, except application for:

* * *

(D) Massage therapist, bodyworker, or touch professional, $90.00.

(E) Massage establishment qualifying for a reduced fee under 26 V.S.A. § 5425(b), $50.00.

(2) Application for licensure or certification, $115.00, except application for:

* * *

(M) ~~Massage therapist, bodyworker, or touch professional, $90.00.~~ [Repealed.]

* * *

(4) Biennial renewal, $275.00, except biennial renewal for:

* * *

(Y) Massage establishment qualifying for a reduced fee under 26 V.S.A. § 5425(b), $75.00.

(5) ~~Limited temporary license or work permit, $60.00.~~ [Repealed.]

(6) Radiologic evaluation, $125.00.

(7) Annual renewal for appraisal management company registration, $345.00.

(8) Real estate appraiser trainee, $115.00.

(9) ~~Apprenticeship application, $50.00.~~ [Repealed.]

(10) ~~Specialty or endorsement to existing license application, $100.00.~~ [Repealed.]

(11) ~~Disciplinary action surcharge, $250.00.~~ [Repealed.]

* * *

Sec. 19. 13 V.S.A. § 2638 is amended to read:

§ 2638. IMMUNITY FROM LIABILITY

(a) As used in this section:

(1) "Human trafficking" has the same meaning as in section 2651 of this title.

(2) "Prostitution" has the same meaning as in section 2631 of this title.

(b) A person who, in good faith and in a timely manner, reports to law enforcement that the person is a victim of or a witness to a crime that arose from the person's involvement in prostitution or human trafficking shall not be cited, arrested, or prosecuted for a violation of the following offenses:

(1) section 2632 of this title (prostitution);

(2) section 2601a of this title (prohibited conduct);

(3) 18 V.S.A. § 4230(a)(1)–(3) (cannabis possession);

(4) 18 V.S.A. § 4231(a)(1) and (2) (cocaine possession);

(5) 18 V.S.A. § 4232(a)(1) and (2) (LSD possession);

(6) 18 V.S.A. § 4233(a)(1) and (2) (heroin possession);

(7) 18 V.S.A. § 4234(a)(1) and (2) (depressant, stimulant, and narcotic drugs possession);

(8) 18 V.S.A. § 4234a(a)(1) and (2) (methamphetamine possession);

(9) 18 V.S.A. § 4235(b)(1) (hallucinogenic drugs possession); ~~and~~

(10) 18 V.S.A. § 4235a(a)(1) (Ecstasy possession); and

(11) 26 V.S.A. § 5403 (unauthorized practice of massage or bodywork).

* * *

* * * Board of Medical Practice * * *

Sec. 19a. 26 V.S.A. § 1353 is amended to read:

§ 1353. POWERS AND DUTIES OF THE BOARD

The Board shall have the following powers and duties to:

* * *

(8)(A) Inquire into the criminal history backgrounds of applicants for licensure and for biennial license renewal for ~~all professionals licensed or certified by the Board. In obtaining these background checks, the Board may inquire directly of the Vermont Crime Information Center, the Federal Bureau of Investigation, the National Crime Information Center, or other holders of official criminal record information, and may arrange for these inquiries to be made by a commercial service~~ any Board-issued credential, including a license, certification, or registration for the following professions:

(i) medical doctors licensed pursuant to chapter 23 of this title;

(ii) podiatrists licensed pursuant to chapter 7 of this title;

(iii) anesthesiologist assistants licensed pursuant to chapter 29 of this title;

(iv) physician assistants licensed pursuant to chapter 31 of this title; and

(v) radiologist assistants licensed pursuant to chapter 52 of this title.

(B) Prior to acting on an initial or renewal application, the Board may obtain with respect to the applicant a Vermont criminal history record, an out-of-state criminal history record, and a criminal history record from the Federal Bureau of Investigation. Federal Bureau of Investigation background checks shall be fingerprint-supported, and fingerprints so obtained may be retained on file and used to notify the Board of future triggering events. Each applicant shall consent to the release of criminal history records to the Board on forms developed by the Vermont Crime Information Center.

(C) An applicant or licensee shall bear any cost of obtaining a required criminal history background check. Applicants subject to background checks shall be notified that a check is required, whether fingerprints will be retained on file, and that criminal convictions are not an absolute bar to licensure. Applicants shall be provided other information as may be required by federal law or regulation.

~~(D) The Board shall comply with all laws regulating the release of criminal history records and the protection of individual privacy.~~

~~(E) No person shall confirm the existence or nonexistence of criminal history record information to any person who would not be eligible to receive the information pursuant to this chapter. As used in this subdivision, "criminal history record" has the same meaning as in 20 V.S.A. § 2056a.~~

* * *

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) This section, Secs. 1–10 (general powers, accountants), Secs. 13–17 (funeral services, advanced practice registered nurses, pharmacists, psychologists, midwives, speech-language pathologist assistants report), Sec. 18a (3 V.S.A. § 125), and Sec. 19a (Board of Medical Practice) shall take effect on passage.

(b) Secs. 11 and 12 (dentists) shall take effect on September 1, 2026.

(c) Sec. 18 (massage therapists, bodyworkers, and touch professionals) and Sec. 19 (13 V.S.A. § 2638) shall take effect on December 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 13, 2026, pages 3214-3234)

Reported favorably by Senator Hardy for the Committee on Finance.

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

(Committee vote: 7-0-0)

Reported favorably by Senator Westman for the Committee on Appropriations.

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

(Committee vote: 7-0-0)

H. 606.

An act relating to firearms procedures.

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

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

Sec. 1. 20 V.S.A. § 2307 is amended to read:

§ 2307. FIREARMS RELINQUISHED PURSUANT TO RELIEF FROM ABUSE ORDER OR EXTREME RISK PROTECTION ORDER; STORAGE; FEES; RETURN

(a) Definitions. As used in this section:

(1) "Federally licensed firearms dealer" means a licensed importer, licensed manufacturer, or licensed dealer required to conduct national instant criminal background checks under 18 U.S.C. § 922(t).

(2) "Firearm" ~~shall have~~ has the same meaning as in 18 U.S.C. § 921(a)(3).

(3) "Law enforcement agency" means the Vermont State Police, a municipal police department, or a sheriff's department.

(4) "Third party" means a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer.

(b) Relinquishment.

(1) A person who is required to relinquish firearms~~, ammunition,~~ or other weapons in the person's possession by a court order issued under 15 V.S.A. chapter 21 (abuse prevention); 13 V.S.A. chapter 85, subchapter 2 (extreme risk protection orders); or any other provision of law consistent with 18 U.S.C. § 922(g)(8) shall, ~~unless the court orders an alternative relinquishment pursuant to subdivision (2) of this subsection,~~ upon service of the order immediately relinquish the firearms~~, ammunition,~~ or weapons to a cooperating law enforcement agency or an approved federally licensed firearms dealer. As used in this subdivision, "person" means anyone who meets the definition of "intimate partner" under 18 U.S.C. § 921(a)(32) or who qualifies as a family or household member under 15 V.S.A. § 1101, or any person who is subject to an extreme risk protection order. The court may order an alternative relinquishment to a third party if after a hearing the court

finds that the alternative relinquishment adequately protects the safety of the protected parties.

(2)(A) ~~The court may order that the person relinquish the firearms, ammunition, or other weapons to a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer unless the court finds that relinquishment to the other person will not adequately protect the safety of the victim.~~

(i) Firearms shall not be held by a third party unless approved by the court using the process set forth in this subdivision (2).

(ii) A final relief from abuse hearing under 15 V.S.A. § 1103 or an extreme risk protection order hearing under 13 V.S.A. § 4053 shall not be continued solely for the purpose of approval of a third party. If the court is unable to accommodate hearing from the proposed third party at the hearing or if the defendant is not prepared to present the third party, the defendant may file a motion using a form approved by the court administrator to request a hearing at a later date on whether the proposed third party should be permitted to hold surrendered firearms.

(iii) To be considered as a third party eligible to hold surrendered firearms, the third party shall agree to undergo a background check through the National Instant Criminal Background Check System (NICS) to verify that the person is legally permitted to have a firearm. The background check required by this subdivision (iii) shall be provided to the court.

(B) ~~A person to whom firearms, ammunition, or other weapons are relinquished pursuant to subdivision (2)(A) of this subsection (b)~~ The proposed third party shall execute an affidavit on a form approved by the Court Administrator stating that the person:

(i) acknowledges receipt of the firearms~~, ammunition,~~ or other weapons;

(ii) assumes responsibility for storage of the firearms~~, ammunition,~~ or other weapons until further order of the court, and specifies the manner in which ~~he or she~~ the person will provide secure storage of such items;

(iii) is not prohibited from owning or possessing firearms under State or federal law; and

(iv) understands the obligations and requirements of the court order, including the potential for the person to be subject to civil contempt proceedings pursuant to subdivision ~~(2)~~(C) of this ~~subsection~~ subdivision (b)(2) if the person permits the firearms~~, ammunition,~~ or other weapons to be

possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so.

(C) A ~~person to whom firearms, ammunition, or other weapons are relinquished pursuant to subdivision (2)(A) of this subsection (b)~~ third party shall be subject to civil contempt proceedings under 12 V.S.A. chapter 5 if the person permits the firearms~~, ammunition,~~ or other weapons to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so. In the event that the person required to relinquish the firearms~~, ammunition,~~ or other weapons or any other person not authorized by law to possess the relinquished items obtains access to, possession of, or use of a relinquished item, all relinquished items shall be immediately transferred to the possession of a law enforcement agency or approved federally licensed firearms dealer pursuant to subdivision (1) of this subsection (b).

(c) Obligation to catalogue; evidentiary firearms excluded. A law enforcement agency or an approved federally licensed firearms dealer that takes possession of a firearm~~, ammunition,~~ or other weapon pursuant to subdivision (b)(1) of this section shall photograph, catalogue, and store the item in accordance with standards and guidelines established by the Department of Public Safety pursuant to ~~subdivision (i)(3)~~ subsection (k) of this section. A firearm~~, ammunition,~~ or other weapon shall not be taken into possession pursuant to this section if it is being or may be used as evidence in a pending criminal matter.

(d) Acknowledgement form. A defendant who is required to relinquish firearms pursuant to a court order issued under 15 V.S.A. chapter 21 (abuse prevention); 13 V.S.A. chapter 85, subchapter 2 (extreme risk protection orders), or any other provision of law consistent with 18 U.S.C. § 922(g)(8) shall complete a form approved by the court administrator acknowledging that surrender has occurred and documenting the holder of the firearms. The form shall be filed with the court or law enforcement, or both, as directed by the court order.

(e) Fees.

(1) A law enforcement agency that stores firearms~~, ammunition,~~ or weapons pursuant to subdivision (b)(1) of this section may charge the owner a reasonable storage fee, not to exceed:

(A) $200.00 for the first firearm or weapon, and $50.00 for each additional firearm or weapon for up to 15 months, prorated on the number of months the items are stored; and

(B) $50.00 per firearm or weapon per year for each year or part thereof thereafter.

(2) A federally licensed firearms dealer that stores firearms~~,~~ ~~ammunition,~~ or weapons pursuant to subdivision (b)(1) of this section may charge the owner a storage fee that is reasonably related to the expenses it incurs in the administration of this section. Any federally licensed firearm dealer that certifies compliance under this section shall provide a copy of its fee schedule to the ~~court~~ Department of Public Safety upon request.

(3) Fees permitted by this subsection shall not begin to accrue until after the court issues a final relief from abuse order pursuant to 15 V.S.A. § 1103 or a final extreme risk protection order pursuant to 13 V.S.A. § 4053.

~~(e)~~(f) Sale. Nothing in this section shall be construed to prohibit the lawful sale of firearms or other items.

~~(f) A final relief from abuse order issued pursuant to 15 V.S.A. § 1103 requiring a person to relinquish firearms, ammunition, or other weapons shall direct the law enforcement agency, approved federally licensed firearms dealer, or other person in possession of the items under subsection (b) of this section to release them to the owner upon expiration of the order if all applicable fees have been paid.~~

(g) Law enforcement storage of firearms with a federally licensed firearms dealer.

(1) Law enforcement agencies that do not have the capacity to store firearms or do not elect to store nonevidentiary firearms may store nonevidentiary firearms relinquished to them pursuant to a relief from abuse order, an extreme risk protection order, or any other provision of law consistent with 18 U.S.C. § 922(g)(8) with a federally licensed firearms dealer, provided that the agency provides timely notice to the person surrendering the firearm of the transfer. The notice shall include the following information:

(A) The contact information for the federally licensed firearms dealer, including the dealer's name, phone number, and current address.

(B) It is the defendant's responsibility to keep the federally licensed firearms dealer informed of any address changes.

(C) The costs of the storage fees that the defendant will be responsible for paying.

(D) If the defendant fails to retrieve the firearms within 90 days after being eligible for release, the defendant forfeits ownership of the firearms and

the firearms may be sold and all proceeds retained by the federally licensed firearms dealer or law enforcement agency that provided storage.

(E) Information about how to file a request with the court to have a third party provide storage.

(F) The eligibility requirements that a proposed third party is required to meet to hold firearms.

(2) The notice required by subdivision (1) of this subsection may be provided by the federally licensed firearms dealer to the defendant directly, provided that the dealer or law enforcement agency, or both, keeps a record to document that notice was provided.

(3) Law enforcement agencies that store nonevidentiary firearms with a federally licensed firearms dealer shall provide the dealer with:

(A) the name of the owner of the firearms;

(B) contact information for the owner to include name, date of birth, phone number, and current address;

(C) docket information about the court order requiring firearms surrender; and

(D) if requested by the dealer, information about any changes to the court order.

(4) Federally licensed firearms dealers shall not be used to store firearms relinquished pursuant to a temporary relief from abuse order issued pursuant to 15 V.S.A. § 1104 or a temporary extreme risk protection order issued pursuant to 13 V.S.A. § 4054 unless the defendant consents to have the dealer hold the firearms and agrees to pay storage fees that accrue while the temporary order is in effect.

(h) Victim notification of release of firearms. Prior to releasing firearms under this section, law enforcement agencies shall make reasonable efforts to provide notice to the plaintiff at least 24 hours in advance before the firearms are released unless the plaintiff is present in court when the court order requiring relinquishment is dismissed and is orally informed on the record that firearms will be released.

(i) Release of firearms.

(1) A law enforcement agency, an approved federally licensed firearms dealer, or any other person that takes possession of firearms~~, ammunition,~~ or weapons for storage purposes pursuant to this section shall not release the items to the owner without a court order unless the items are to be sold

pursuant to subdivision (2)(A) of this subsection. If a court orders the release of firearms~~, ammunition,~~ or weapons stored under this section, the law enforcement agency or firearms dealer in possession of the items shall make them available to the owner within ~~three business days of receipt of the order and in a manner consistent with federal law~~ 72 hours after completion of a background check through the National Instant Criminal Background Check System (NICS). The Supreme Court may promulgate rules under 12 V.S.A. § 1 for judicial proceedings under this subsection.

(2)(A)(i) If the owner fails to retrieve the firearm~~, ammunition,~~ or weapon and pay the applicable storage fee within 90 days ~~of~~ following the court order releasing the items, the firearm~~, ammunition,~~ or weapon may be sold for fair market value. Title to the items shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in section 2305 of this title.

(ii) The law enforcement agency or approved firearms dealer shall make a reasonable effort to notify the owner of the sale before it occurs. In no event shall the sale occur until after the court issues a final relief from abuse order pursuant to 15 V.S.A. § 1103 or a final extreme risk protection order pursuant to 13 V.S.A. § 4053.

(iii) As used in this subdivision (2)(A), "reasonable effort" ~~shall mean~~ means notice shall be served as provided for by Rule 4 of the Vermont Rules of Civil Procedure.

(B) ~~Proceeds from the sale of a firearm, ammunition, or weapon pursuant to subdivision (A) of this subdivision (2) shall be apportioned as follows:~~

~~(i) unpaid storage fees and associated costs, including the costs of sale and of locating and serving the owner, shall be paid to the law enforcement agency or firearms dealer that incurred the cost; and~~

~~(ii) any proceeds remaining after payment is made to the law enforcement agency or firearms dealer pursuant to subdivision (i) of this subdivision (2)(B) shall be paid to the original owner~~ If firearms eligible for release are not claimed by the owner, the federally licensed firearms dealer or law enforcement agency storing the firearms shall provide a certified letter to the owner's last known address. If the firearms are not claimed within 90 days after notice by certified letter, the firearms may be sold by the dealer or law enforcement agency and the dealer or law enforcement agency may retain all proceeds from the sale.

(h)(j) Immunity.

(1) A federally licensed firearms dealer or law enforcement agency that stores firearms in accordance with this section shall be immune from:

(A) civil or criminal liability for the sale of firearms, provided that notice is provided as required by subsection (g) of this section; and

(B) civil or criminal liability for any damage or deterioration of firearms, ammunition, or weapons stored or transported pursuant to subsection (c) of this section.

(2) This subsection shall not apply if the damage or deterioration occurred as a result of recklessness, gross negligence, or intentional misconduct by the law enforcement agency or federally licensed firearms dealer.

(i)(k) Department of Public Safety. The Department of Public Safety shall be responsible for the implementation and establishment of standards and guidelines to carry out this section. To carry out this responsibility, the Department shall:

(1) Establish minimum standards to be a qualified storage location and maintain a list of qualified storage locations, including:

(A) federally licensed firearms dealers that annually certify compliance with the Department's standards to receive firearms, ammunition, or other weapons pursuant to subdivision (b)(2) of this section; and

(B) cooperating law enforcement agencies.

(2) Adopt a policy that encourages and supports federally licensed firearms dealers to provide storage for prohibited persons.

(3) Establish a fee schedule consistent with the fees established in this section for the storage of firearms and other weapons by law enforcement agencies pursuant to this section.

(3)(4) Establish standards and guidelines to provide for the storage of firearms, ammunition, and other weapons pursuant to this section by law enforcement agencies. Such guidelines shall provide that:

(A) with the consent of the law enforcement agency taking possession of a firearm, ammunition, or weapon under this section, an owner may provide a storage container for the storage of such relinquished items;

(B) the law enforcement agency that takes possession of the firearm, ammunition, or weapon may provide a storage container for the relinquished item or items at an additional fee; and

(C) the law enforcement agency that takes possession of the firearm~~, ammunition,~~ or weapon shall present the owner with a receipt at the time of relinquishment that includes the serial number and identifying characteristics of the firearm~~, ammunition,~~ or weapon and record the receipt of the item or items in a log to be established by the Department.

~~(4)~~(5) Report on January 15, 2015, and annually thereafter to the House and Senate Committees on Judiciary on the status of the program. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subdivision.

Sec. 2. 20 V.S.A. § 2308 is added to read:

§ 2308. STATEWIDE MODEL POLICY PROHIBITING FIREARMS ACCESS BY PROHIBITED PERSONS

(a) On or before December 30, 2026, the Department of Public Safety shall direct the Law Enforcement Advisory Board (LEAB) to adopt a statewide model law enforcement policy addressing firearms access by persons who are prohibited from possessing firearms pursuant to relief from abuse orders, extreme risk protection orders, or other legal prohibitions. The policy shall create a legal, safe, and fair process, including necessary forms and delineated roles and responsibilities, for law enforcement agencies interacting with federally licensed firearms dealers that are storing firearms for prohibited persons. The policy shall address the following:

(1) legal removal of firearms from the scene of a domestic violence incident;

(2) steps for inquiry and lawful removal of firearms by law enforcement when serving protective orders;

(3) a process for notifying the plaintiff about service and relinquishment, appropriate handling, and storage of firearms;

(4) procedures for storage of firearms with federally licensed firearms dealers and third parties, including informing the defendant about the option of third-party storage; and

(5) methods of data collection about the number and type of firearms surrendered, including descriptions of the firearms.

(b) On or before June 30, 2027, every state, county, and municipal law enforcement agency shall adopt a model firearms surrender policy that includes each component of the LEAB model. If an agency has not adopted a policy on or before June 30, 2027, the agency shall be deemed to have adopted, and shall follow and enforce, the LEAB model.

Sec. 3. 13 V.S.A. § 4059 is amended to read:

§ 4059. RELINQUISHMENT, STORAGE, AND RETURN OF DANGEROUS WEAPONS

(a) A person who is required to relinquish a dangerous weapon other than a firearm in the person's possession, custody, or control by an extreme risk protection order issued under section 4053, 4054, or 4055 of this title shall upon service of the order immediately relinquish the dangerous weapon to a cooperating law enforcement agency. The law enforcement agency shall transfer the weapon to the Bureau of Alcohol, Tobacco, Firearms and Explosives for proper disposition.

(b)~~(1)~~ A person who is required to relinquish a firearm in the person's possession, custody, or control by an extreme risk protection order issued under section 4053, 4054, or 4055 of this title shall~~, unless the court orders an alternative relinquishment pursuant to subdivision (2) of this subsection, upon service of the order immediately relinquish the firearm to a cooperating law enforcement agency or an approved federally licensed firearms dealer~~ relinquish the firearm pursuant to the procedures required by 20 V.S.A. § 2307.

~~(2)(A) The court may order that the person relinquish a firearm to a person other than a cooperating law enforcement agency or an approved federally licensed firearms dealer unless the court finds that relinquishment to the other person will not adequately protect the safety of any person.~~

~~(B) A person to whom a firearm is relinquished pursuant to subdivision (A) of this subdivision (2) shall execute an affidavit on a form approved by the Court Administrator stating that the person:~~

~~(i) acknowledges receipt of the firearm;~~

~~(ii) assumes responsibility for storage of the firearm until further order of the court and specifies the manner in which he or she will provide secure storage;~~

~~(iii) is not prohibited from owning or possessing firearms under State or federal law; and~~

~~(iv) understands the obligations and requirements of the court order, including the potential for the person to be subject to civil contempt proceedings pursuant to subdivision (C) of this subdivision (2) if the person permits the firearm to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so.~~

~~(C) A person to whom a firearm is relinquished pursuant to subdivision (A) of this subdivision (2) shall be subject to civil contempt proceedings under 12 V.S.A. chapter 5 if the person permits the firearm to be possessed, accessed, or used by the person who relinquished the item or by any other person not authorized by law to do so. In the event that the person required to relinquish the firearm or any other person not authorized by law to possess the relinquished item obtains access to, possession of, or use of a relinquished item, all relinquished items shall be immediately transferred to the possession of a law enforcement agency or approved federally licensed firearms dealer pursuant to subdivision (b)(1) of this section.~~

(c) ~~A law enforcement agency or an approved federally licensed firearms dealer that takes possession of a firearm pursuant to subdivision (b)(1) of this section shall photograph, catalogue, and store the item in accordance with standards and guidelines established by the Department of Public Safety pursuant to 20 V.S.A. § 2307(i)(3).~~ <u>[Repealed.]</u>

(d) ~~Nothing in this section shall be construed to prohibit the lawful sale of firearms or other items.~~ <u>[Repealed.]</u>

(e) ~~An extreme risk protection order issued pursuant to section 4053 of this title or renewed pursuant to section 4055 of this title shall direct the law enforcement agency, approved federally licensed firearms dealer, or other person in possession of a firearm under subsection (b) of this section to release it to the owner upon expiration of the order.~~ <u>[Repealed.]</u>

(f)~~(1) A law enforcement agency, an approved federally licensed firearms dealer, or any other person who takes possession of a firearm for storage purposes pursuant to this section shall not release it to the owner without a court order unless the firearm is to be sold pursuant to subdivision (2)(A) of this subsection. If a court orders the release of a firearm stored under this section, the law enforcement agency or firearms dealer in possession of the firearm shall make it available to the owner within three business days after receipt of the order and in a manner consistent with federal law.~~

~~(2)(A)(i) If the owner fails to retrieve the firearm within 90 days after the court order releasing it, the firearm may be sold for fair market value. Title to the firearm shall pass to the law enforcement agency or firearms dealer for the purpose of transferring ownership, except that the Vermont State Police shall follow the procedure described in 20 V.S.A. § 2305.~~

~~(ii) The law enforcement agency or firearms dealer shall make a reasonable effort to notify the owner of the sale before it occurs. In no event shall the sale occur until after the court issues a final extreme risk protection order pursuant to section 4053 of this title.~~

~~(iii) As used in this subdivision (2)(A), "reasonable effort" shall mean notice shall be served as provided for by Rule 4 of the Vermont Rules of Civil Procedure.~~

~~(B) Proceeds from the sale of a firearm pursuant to subdivision (A) of this subdivision (2) shall be apportioned as follows:~~

~~(i) associated costs, including the costs of sale and of locating and serving the owner, shall be paid to the law enforcement agency or firearms dealer that incurred the cost; and~~

~~(ii) any proceeds remaining after payment is made to the law enforcement agency or firearms dealer pursuant to subdivision (i) of this subdivision (2)(B) shall be paid to the original owner.~~ [Repealed.]

(g) ~~A law enforcement agency shall be immune from civil or criminal liability for any damage or deterioration of a firearm stored or transported pursuant to this section. This subsection shall not apply if the damage or deterioration occurred as a result of recklessness, gross negligence, or intentional misconduct by the law enforcement agency.~~ [Repealed.]

(h) ~~This section shall be implemented consistent with the standards and guidelines established by the Department of Public Safety under 20 V.S.A. § 2307(i).~~ [Repealed.]

(i) Notwithstanding any other provision of this chapter:

(1) A dangerous weapon shall not be returned to the respondent if the respondent's possession of the weapon would be prohibited by state or federal law.

(2) A dangerous weapon shall not be taken into possession pursuant to this section if it is being or may be used as evidence in a pending criminal matter.

and that after passage the title of the bill be amended to read: "An act relating to firearms relinquishment and storage procedures"

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 4-1-0)

(For House amendments, see House Journal of March 18, 2026, pages 3330-3335)

H. 611.

An act relating to miscellaneous provisions affecting the Department of Vermont Health Access.

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

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

First: By striking out Sec. 2, 18 V.S.A. § 4682, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 18 V.S.A. § 4682 is amended to read:

§ 4682. DISCRIMINATION AGAINST 340B ENTITIES PROHIBITED

* * *

(b) A manufacturer or its agent shall not directly or indirectly require a 340B covered entity to submit any claims, utilization, encounter, purchase, or other data as a condition for allowing the acquisition of a 340B drug by or delivery of a 340B drug to a 340B contract pharmacy or a 340B covered entity unless the claims or utilization data sharing is required by the U.S. Department of Health and Human Services.

* * *

(d) ~~A manufacturer or its agent shall offer or otherwise make available 340B drug pricing to a 340B covered entity or 340B contract pharmacy in the form of a discount at the time of purchase and shall not offer or otherwise make available 340B drug pricing in the form of a rebate.~~ [Repealed.]

Second: In Sec. 9, amending 2025 Acts and Resolves No. 50, Sec. 8, in subsection (a), by striking out "2026" both times it appears and inserting in lieu thereof "~~2026~~ 2027"

Third: By striking out Sec. 10, effective date, in its entirety and inserting in lieu thereof two new sections to be Secs. 10 and 11 to read as follows:

Sec. 10. 8 V.S.A. § 4077 is amended to read:

§ 4077. REPRODUCTIVE HEALTH CARE SERVICES

* * *

(h)(1) As used in this subsection:

(A) "HIV prevention drug" means any preexposure prophylaxis drug or postexposure prophylaxis drug, including oral and long-acting injectable

formulations, that is approved by the FDA for HIV prevention or that is otherwise authorized for HIV prevention pursuant to FDA labeling or federal clinical guidelines.

(B) "Supportive health service" means any health service that is necessary to monitor a patient to ensure the safe and effective ongoing use of an HIV prevention drug and includes:

(i) an office visit;

(ii) laboratory testing;

(iii) testing for a sexually transmitted infection;

(iv) medication self-management and adherence counseling;

(v) patient education and counseling by the patient's health care provider regarding the appropriate use of the HIV prevention drug; and

(vi) any other health services that are components of comprehensive HIV prevention drug services as determined by the patient's health care provider.

(2) A health insurance plan shall provide coverage for HIV preexposure prophylaxis drugs as recommended by the U.S. Preventive Services Task Force as of August 22, 2023. This coverage shall be provided without any deductible, coinsurance, co-payment, or other cost-sharing requirement, except to the extent that such coverage would disqualify a high-deductible health plan from eligibility for a health savings account pursuant to 26 U.S.C. § 223.

(3) Medicaid and any other public health care assistance program offered or administered by the State or by any subdivision or instrumentality of the State, except for any program funded in whole or in part by federal grants that include prohibitions on coverage of HIV prevention drugs, shall provide coverage of HIV prevention drugs and supportive health services and shall:

(A) not require any cost sharing, including co-payments;

(B) provide coverage without requiring prior authorization or any other protocol that may restrict or delay dispensing for at least one FDA-approved drug in each category of preexposure and postexposure prophylaxis drugs; and

(C) not deny coverage based on the type of health care professional issuing the prescription for any HIV prevention drug for which Medicaid does not require prior authorization, provided the health care professional is acting

within the professional's authorized scope of practice and is enrolled as a participating provider in Vermont Medicaid.

Sec. 11. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of February 6, 2026, pages 3001-3007)

Reported favorably by Senator Lyons for the Committee on Appropriations.

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

(Committee vote: 7-0-0)

H. 657.

An act relating to various programming and requirements within the Department for Children and Families.

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

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

* * * Removing Reach Up Asset Limit * * *

Sec. 1. 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

(5)~~(A) The asset limitation shall be $9,000.00 for families for the purposes of determining initial and continuing eligibility for the Reach Up program, and the following savings accounts shall not be considered in the calculation for determining the asset limitation:~~

~~(i) a retirement account, such as an individual retirement arrangement (IRA), a defined contribution plan qualified under 26 U.S.C. § 401(k), or any similar account as defined in 26 U.S.C. § 408; and~~

~~(ii) a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529.~~

~~(B) The value of assets accumulated from the earnings of adults and children in participating families and from any federal or Vermont earned income tax credit shall be excluded for purposes of determining continuing eligibility for the Reach Up program.~~ The Department shall not impose an asset limit for the purpose of initial and continuing eligibility for the Reach Up program.

* * *

* * * Social Security Benefits for Youth in Foster Care * * *

Sec. 2. 33 V.S.A. § 4902 is amended to read:

§ 4902. DEFINITIONS

As used in this chapter:

(1) "Child" means a person under 18 years of age committed by the Family Division of the Superior Court to the Department for Children and Families.

(2) "Commissioner" means the Commissioner for Children and Families.

(3) "Department" means the Department for Children and Families.

(4) "Foster care" means care of a child, for a valuable consideration, in a child care institution or in a family other than that of the child's parent, guardian, or relative.

(5) "Qualified ABLE account" means an ABLE account, as that term is defined in section 8002 of this title, or an account established pursuant to any qualified state ABLE program created pursuant to 26 U.S.C. § 529A (section 529A of the Internal Revenue Code of 1986).

(6) "Representative payee" means the person appointed by the Social Security Administration to manage Social Security benefits for a child.

(7) "RSDI benefits" means a child's retirement, survivors, or disability insurance benefits under 42 U.S.C. chapter 7, subchapter II (Title II of the Social Security Act).

(8) "Social Security Act" means the Social Security Act, 42 U.S.C. chapter 7, as may be amended.

(9) "Social Security benefits" means a child's RSDI benefits, SSI benefits, or both, as applicable.

(10) "SSI benefits" means a child's Supplemental Security Income benefits under 42 U.S.C. chapter 7, subchapter XVI (Title XVI of the Social Security Act).

Sec. 3. 33 V.S.A. § 4907 is added to read:

§ 4907. FOSTER CARE; SOCIAL SECURITY BENEFITS

(a) The Department shall not use any portion of a child's Social Security benefits to offset the State's costs for the child's maintenance except to maintain the child's eligibility for SSI benefits and to avoid a violation of federal asset or resource limits.

(b) Upon the request of the child or the child's foster care provider, the Department, in its capacity as representative payee for a child, may use the child's Social Security benefits for the child's unmet needs beyond the amount that the State is obligated, required, or agrees to pay for the care of the child.

(c) In its capacity as representative payee for a child and with the assistance of the State Treasurer, the Department shall:

(1) establish a trust account for the child, which shall be a qualified ABLE account for any child receiving SSI benefits;

(2) monitor any federal asset or resource limits for the child's SSI benefits;

(3) ensure that the child's best interests are served by using the child's Social Security benefits for the child's unmet needs or conserving the child's Social Security benefits in a way that avoids violating any federal asset or resource limits that would affect the child's ability to receive SSI benefits;

(4) appeal any denied application for SSI benefits submitted on behalf of a child; and

(5) provide an annual accounting of the use, application, or conservation of the child's Social Security benefits, including any payments made under subsection (b) of this section, to the child; the child's parent, legal guardian, or counsel; the Family Division of the Superior Court; and the Office of the Child, Youth, and Family Advocate.

* * * Enabling Unaccompanied Youth to Obtain Certain Services Without Parental Consent * * *

Sec. 4. 33 V.S.A. § 4908 is added to read:

§ 4908. UNACCOMPANIED YOUTH

(a) Legislative intent. In instances in which severe family dysfunction such as abuse, neglect, child abandonment, or lack of financial support has left a youth who is 16 or 17 years of age homeless, and other supports such as foster care are deemed inappropriate, it is the intent of the General Assembly to provide an unaccompanied youth with the resources necessary to obtain services and benefits that the unaccompanied youth's peers can obtain with the consent of a parent or guardian.

(b) Definitions. As used in this section:

(1) "Homeless child or youth" means an individual who lacks a fixed, regular, and adequate nighttime residence, including:

(A) a child or youth sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;

(B) a child or youth living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations;

(C) a child or youth living in emergency or transitional shelters;

(D) a child or youth abandoned in hospitals;

(E) a child or youth living in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings;

(F) a child or youth living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; or

(G) a migratory child who qualifies as homeless because the child is living in the circumstances described in this subdivision (1).

(2) "School district homeless liaison" means an employee designated by a school district to act as a liaison for homeless children and youths.

(3) "Unaccompanied youth" means a homeless child or youth 16 or 17 years of age who is not in the physical custody of a parent or guardian.

(c) Certification. An unaccompanied youth may become certified if the youth is:

(1) found by a school district homeless liaison or other appropriate staff person to be an unaccompanied youth; or

(2) believed to qualify as an unaccompanied youth, by:

(A) the director of an emergency shelter program funded by the State;

(B) the director of a runaway or homeless youth program funded by the U.S. Department of Health and Human Services or the U.S. Department of Housing and Urban Development or designee;

(C) a continuum of care lead agency or designee;

(D) the Chief Juvenile Defender or designee; or

(E) the Vermont Network Against Domestic and Sexual Violence or designee.

(d) Proof of certification.

(1)(A) The Department shall contract with a community organization that serves homeless and runaway youth in Vermont to develop a standardized form that shall be used by the entities specified in subsection (c) of this section to certify qualifying unaccompanied youths. The front of the form shall include the circumstances that qualify the youth; the date the youth was certified; the name, title, and signature of the certifying individual; and confirmation from the certifying individual that the individual has completed a human trafficking training in the past two years. This section shall be reproduced in its entirety on the back of the form.

(B) The Department shall post the certification form and information about this section on its website, including who is eligible for certification and which individuals and entities can complete the certification form pursuant to this section.

(2) Without the consent of a parent or guardian, a certified unaccompanied youth may use the completed form to:

(A) apply at no charge for a nondriver identification card pursuant to 23 V.S.A. § 115, a learner's permit pursuant to 23 V.S.A. § 617, or an operator's license or operator's privilege card pursuant to 23 V.S.A. § 608;

(B) obtain a vital event certificate at no charge pursuant to 18 V.S.A. § 5017;

(C) consent to care by health care professionals licensed or certified in Vermont, including medical care; dental care; mental health care services, including psychological counseling and treatment, psychiatric treatment, and substance use prevention and treatment services; and surgical diagnosis and

treatment, including medical diagnosis and treatment, such as preventive care and care provided in a health care facility, as defined in 18 V.S.A. § 9432, for:

(i) the youth; or

(ii) the youth's child, if the certified unaccompanied youth is unmarried, is the parent of the child, and has actual custody of the child;

(D) enter into a contract for housing or obtain admission to a shelter or transitional housing;

(E) obtain employment, pursuant to 21 V.S.A. chapter 5, subchapter 4;

(F) purchase an automobile and obtain an automobile liability policy that meets the requirements of 23 V.S.A. chapter 11;

(G) apply for a student loan;

(H) obtain admission to high school or postsecondary school and participate in school activities, including extracurricular activities and field trips;

(I) open an account at a State- or federally chartered bank or credit union;

(J) receive services for victims of domestic or sexual violence, as appropriate; and

(K) participate in a court diversion program pursuant to 3 V.S.A. §§ 163 and 164 or the Youth Substance Awareness Safety Program pursuant to 7 V.S.A. § 656.

(e) Use of certification form. A health care professional shall accept the completed form as proof of the youth's status as a certified unaccompanied youth. Entities that provide housing, services, or benefits authorized under this section may keep a copy of the form or card in the youth's medical file.

(f) Consent of a parent or guardian.

(1) A certification issued pursuant to subsection (c) of this section shall authorize an unaccompanied youth to obtain benefits and services listed in subsection (d) of this section. A person, provider, or health care professional shall not require the consent of a parent or guardian as a condition of providing a benefit or service authorized under subsection (d) of this section.

(2) For the purposes of implementing subdivision (d)(2)(I) of this section, the Commissioner of Financial Regulation shall ensure that minimum youth certification requirements are met for the purpose of making it legally

permissible for a bank, credit union, or insurance company to contract with an unaccompanied youth without the consent of a parent or guardian and with the understanding that the unaccompanied youth may not have a permanent physical address.

(g) Immunity for liability. Any entity, provider, or health care professional who relies in good faith on a certification form presented by a person who claims to be a certified unaccompanied youth pursuant to this section shall be immune from liability for such reliance, unless the entity, provider, or health care professional acted with gross negligence.

(h) Applicability of Compact. Nothing in this section shall be construed as altering the Interstate Compact for Juveniles.

Sec. 4a. 13 V.S.A. § 1311 is amended to read:

§ 1311. UNLAWFUL SHELTERING; AIDING A RUNAWAY CHILD

* * *

(b) A person commits the crime of unlawfully sheltering or aiding a runaway child if the person:

(1) knowingly shelters a runaway child;

(2) intentionally aids, helps, or assists a child to become a runaway child; or

(3) knowingly takes, entices, or harbors a runaway child, with the intent of committing a criminal act involving the child or with the intent of enticing or forcing the child to commit a criminal act.

(c) Exempt from the prohibitions of subdivisions (b)(1) and (2) of this section are:

(1) a shelter, or the directors, agents, or employees of a shelter, designated by the Commissioner for Children and Families pursuant to 33 V.S.A. § 5304, provided that the requirements of 33 V.S.A. § 5303(b) are satisfied; ~~and~~

(2) a person who has taken the child into custody pursuant to 33 V.S.A § 5251 or 5301; and

(3) a person providing assistance pursuant to 33 V.S.A. § 4908.

* * *

* * * Unaccompanied Youth; Vital Event Certificates * * *

Sec. 5. 18 V.S.A. § 5017 is amended to read:

§ 5017. FEES FOR COPIES

(a) For a certified copy of a vital event certificate, the fee shall be $10.00.

(b) The State Registrar shall waive the fee for certified copies of vital event certificates issued to:

(1) an individual attesting to a lack of fixed, regular, and adequate nighttime residence; ~~and~~

(2) an individual between 18 and 24 years of age who resided in a foster home or residential child care facility between 16 and 18 years of age pursuant to placement by a child-placing agency; and

(3) an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * * Unaccompanied Youth; Nondriver Identification Cards * * *

Sec. 6. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a)(1) Any Vermont resident 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.

* * *

(3) The Commissioner shall require payment of a fee of $29.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to:

(A) an individual who surrenders the individual's license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition; or

(B) an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age; and

(C) an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * *

* * * Unaccompanied Youth; License and Privilege Cards * * *

Sec. 7. 23 V.S.A. § 608 is amended to read:

§ 608. FEES

* * *

(c)(1) Individuals under 23 years of age who were in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall be provided with operator's licenses or operator privilege cards at no charge.

(2) No additional fee shall be due for a motorcycle endorsement for an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(d) Individuals receiving Supplemental Security Income or Social Security Disability Income and individuals with a disability as defined in 9 V.S.A. § 4501 shall be provided with operator's licenses or operator privilege cards for the following fees:

(1) Original issuance: $20.00.

(2) Renewal every four years: $20.00.

(3) Replacement of lost, destroyed, or mutilated card or a new name is required: $10.00.

(e)(1) An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 shall be provided with operator's licenses or operator privilege cards at no charge.

(2) No additional fee shall be due for a motorcycle endorsement for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908.

* * * Unaccompanied Youth; Learner's Permit * * *

Sec. 8. 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a

motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of $24.00 at the time application is made, except that no fee shall be charged for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 or for an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only, or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be $11.00, except that no fee shall be charged for an unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 or for an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a $24.00 fee. An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 and an individual under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall not be charged a fee for the renewal of a motorcycle 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.

(2) An unaccompanied youth who has obtained a certification pursuant to 33 V.S.A. § 4908 and an applicant under 23 years of age who was in the care and custody of the Commissioner for Children and Families pursuant to 33 V.S.A. § 4903(4) in Vermont after attaining 14 years of age shall not be charged a fee for a learner's permit or a duplicate or renewal thereof.

* * *

* * * Transportation of Children * * *

Sec. 9. 33 V.S.A. § 5123 is amended to read:

§ 5123. TRANSPORTATION OF A CHILD

(a) As used in this section:

(1) "Least restrictive" has the same meaning as in section 5130 of this chapter.

(2) "Mechanical restraint" has the same meaning as in section 5130 of this chapter.

(3) "Physical restraint" has the same meaning as in section 5130 of this chapter.

(4) "Secure transport" means transport in a vehicle with disabled internal controls for rear door handles and window switches, requiring the driver to open them from the outside, or with a safety partition installed to separate the driver from the passenger compartment. "Secure transport" includes any vehicle being driven by a law enforcement officer.

(5) "Soft restraint" has the same meaning as in section 5130 of this chapter.

(6) "Waist shackles" means a mechanical restraint device, typically a chain, used around the waist and to which the child's wrists may be chained or cuffed.

(b) The Commissioner for Children and Families shall ensure that all reasonable and appropriate measures consistent with public safety are made to transport or escort a child subject to this chapter in a manner that:

(1) ~~reasonably avoids~~ prevents physical and psychological trauma;

(2) respects the privacy of the child; and

(3) represents the least restrictive means necessary for the safety of the child.

~~(b)~~(c) The Commissioner for Children and Families shall have the authority to ~~select the person or persons who may transport a child under the Commissioner's care and custody~~ designate the professional or law enforcement officers transporting children and shall authorize the method of transport. A contract for transportation services shall include the requirements in this section. Transportation services with noncontracted law enforcement officers shall only be authorized in emergency situations or by court order.

~~(c)~~(d) The Commissioner shall ~~ensure supervisory review of every decision to transport a child using mechanical restraints. When transportation with restraints for a particular child is approved, the reasons for the approval shall be documented in writing~~ provide education materials complying with this section that outline the legal requirements for the secure transportation of

children to individuals designated pursuant to subsection (c) of this section and shall obtain verification that all designated individuals have reviewed the education materials.

~~(d)~~(e) Secure transport shall only be used when the Department determines and documents why it is necessary to prevent the risk of serious physical harm to the child or others, based upon an individualized risk assessment.

~~(e)~~(f) It is the policy of the State of Vermont that mechanical restraints are not routinely used on children subject to this chapter unless circumstances dictate that such methods are necessary. Soft restraints shall be the first option for restraint, and other mechanical restraints shall not be utilized as a substitute for soft restraints if the soft restraints are deemed adequate for safety.

(g) An entity contracted pursuant to subsection (c) of this section shall provide documentation to the Department for the use of restraints when:

(1) the entity believes that the risk of serious physical harm to the child or others requires the use of soft restraints before or during the transport, including a description as to why less restrictive interventions could not reasonably be attempted or why the attempted use of less restrictive interventions was unsuccessful;

(2) the entity believes that the risk of serious physical harm to the child or others was such that soft restraints were not adequate for safety and shall include a description as to which restraint was used and why soft restraints were deemed inadequate for preventing the risk of serious physical harm to the child or others; or

(3) the use of waist shackles was determined to be the sole means of preventing serious physical harm to the child or others and shall include a description as to why waist shackles were the sole means of preventing the risk of serious physical harm to the child or others.

(h) Documentation for the use of restraints shall be completed prior to transport unless the circumstances that required their use occurred during the course of the transport, in which case the documentation shall occur after completion of the transport.

(i) The use of waist shackles shall be prohibited on children 12 years of age or younger. The use of waist shackles on children 13 years of age or older shall be assessed and determined to be the sole means of preventing serious physical harm to the child or others and documented accordingly. Only designated law enforcement agencies shall use waist shackles on a child transported pursuant to this section.

(j) The Commissioner shall ensure supervisory review by the Department of all documentation required by this section.

(k)(1) Annually, on or before January 15, the Department for Children and Families shall submit a written report to the House Committee on Human Services; the Senate Committee on Health and Welfare; and the Office of the Child, Youth, and Family Advocate addressing the number of secure transports of children during the previous year, including, for those transported with restraints:

(A) the age, gender, and racial background of the children transported;

(B) the number of children transported using mechanical restraints;

(C) whether the transport was conducted by law enforcement or a private agency;

(D) when applicable, the type of mechanical restraint;

(E) the type of custody children were in when transport occurred; and

(F) the purpose of the transport.

(2) Once the Department has upgraded its technological capacity in a manner that enables it to collect responsive data, information specific to subdivisions (1)(B), (C), (E), and (F) of this subsection shall be collected and included in the annual report with regard to all secure transports.

(l) Annually, on or before January 15, the Department of State's Attorneys and Sheriffs shall submit a written report to the House Committee on Human Services; the Senate Committee on Health and Welfare; the Department for Children and Families; and the Office of the Child, Youth, and Family Advocate addressing the number of court-ordered transports of minors conducted by the State transport deputies pursuant to 24 V.S.A. § 290(b) during the previous year, including:

(1) the date of birth of transported minors;

(2) whether restraint was used during transport;

(3) if restraint was used, the type of restraint;

(4) whether the minor's case was a delinquency, youthful offender, or criminal proceeding; and

(5) the purpose of the transport.

Sec. 10. REPORT; RESTRAINT IN TRANSPORTATION
OF CHILDREN

(a) On or before December 15, 2027, the Department for Children and Families shall submit a written report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing how the Department is effectuating the policies set forth in 33 V.S.A. § 5123(d) and 2017 Acts and Resolves No. 85, Sec. E.314, including:

(1) contracting with law enforcement or private agencies for the transport of children;

(2) Departmental oversight and supervisory review of the secure transport of children, including transport provided by private agencies or law enforcement officers;

(3) the mechanism used by the Department to collect and review data on the application of mechanical restraints during the transport of children in compliance with 33 V.S.A. § 5123(c);

(4) materials and requirements for designated contractors;

(5) written policies used to effectuate the law; and

(6) other information the Department deems relevant.

(b) As used in this section, "restraint" has the same meaning as in 33 V.S.A. §5130.

Sec. 11. USE OF FORCE POLICY

The Vermont Criminal Justice Council, in consultation with the Department of Vermont State's Attorneys and Sheriffs; the Office of the Child, Youth, and Family Advocate; Disability Rights Vermont; and the Departments for Children and Families and of Disabilities, Aging, and Independent Living shall conduct a formal review to determine whether its use of force policy should include an appendix to adequately address the transportation by law enforcement of children under 18 years of age that is in alignment with the public policy considerations for the transport of children in the custody of the Department for Children and Families pursuant to 33 V.S.A. § 5123.

* * * Restraint and Seclusion * * *

Sec. 12. 33 V.S.A. § 5130 is added to read:

§ 5130. NON-TRANSPORT RELATED RESTRAINT AND SECLUSION

(a) As used in this section:

(1) “Chemical restraint” means any medication used to manage behavior or restrict freedom of movement that is not a standard treatment or dosage for the individual’s condition.

(2) “Child” or “children” means a child or children in the Department’s custody or receiving care or services in a program regulated or licensed by the Department.

(3) “Mechanical restraint” means a type of restraint using a mechanical device, material, or equipment, or garment attached to the child’s body, that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child’s arms, legs, body, or head freely.

(4) “Physical restraint” means a type of restraint using a manual or physical hold that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child’s arms, legs, body, or head freely. A physical restraint shall not include a light touch to encourage a response or to provide direction or guidance, provided the child is able to move away freely.

(5) “Prone restraint” means a physical intervention technique where an individual is held face down on the individual’s stomach. “Prone restraint” does not include a physical restraint that involves a momentary initial hold in a prone position while transitioning to an evidence-based, safer form of restraint that is not considered to be a prohibited form of physical restraint.

(6) “Seclusion” means involuntary confinement of a child in a segregated room or area from which the child is prevented or from which the child reasonably believes that the child is prevented from leaving, whether the door is locked or not. “Seclusion” does not include a voluntary time out under staff supervision for a short period of time in an unlocked room at the child’s request.

(7) “Strip search” means a search that requires a child to remove or arrange some clothing so as to permit a visual inspection of the child’s breasts, buttocks, or genitalia. “Strip search” does not include a pat down through the child’s clothing to determine whether contraband is present.

(8) “Least restrictive” means the minimum intervention necessary to prevent harm to the child or to another, maximizing a child’s autonomy, ensuring that restrictions are proportionate to the risk of harm, and ensuring involuntary measures are only permitted as a last resort when less intrusive methods have failed.

(9) “Soft restraint” means a mechanical restraint device that uses soft material or fabric that is padded and designed to safely fit around the limbs of an individual to limit mobility in order to prevent self-harm or harm to others.

(10) "Secure residential program" means a secure residential treatment program that employs locked or inoperable doors and windows to prevent a child from leaving the building.

(b) The Department shall not use or authorize the use of prone restraints, mechanical restraints, chemical restraints, or strip searches on a child.

(c) Seclusion or physical restraint shall not be used for punishment, disciplinary purposes, the protection of property, or any other reason other than as a safety measure of last resort to prevent a serious and immediate risk of harm to the child or others.

(d) A staff member shall use other less restrictive interventions, unless less restrictive interventions have failed or would be ineffective in stopping imminent danger of physical injury or property damage.

(e) After attempting to use less restrictive interventions, a staff member trained in accordance with rule may physically restrain a child or place a child in seclusion if the staff member:

(1) determines that the child's behavior poses a serious and immediate risk of physical harm to the child or others;

(2) conducts the physical restraint or seclusion in a manner that respects the child's privacy and limits physical and psychological trauma; and

(3) after initiation of the intervention, explains to the child the reasons for the physical restraint or seclusion and informs the child of the circumstances that allow release from the physical restraint or seclusion.

(f) If a child is placed in physical restraint or seclusion pursuant to subsection (e) of this section, the child shall be released immediately when there is no longer a serious and immediate risk of physical harm to the child or others.

(g)(1) Restraint or seclusion lasting more than 10 minutes shall require supervisory approval and oversight. Restraint or seclusion lasting more than 30 minutes shall require clinical and administrative consultation, approval, and oversight. A child shall not be held for more than one hour in restraint or seclusion without an in-person assessment by a clinician and authorization by the administrator on duty.

(2) A child in seclusion shall be provided constant uninterrupted supervision by a qualified staff member employed by the program who is familiar to the child.

(h) Nothing in this section shall be construed to:

(1) include a locked bedroom during regular sleeping hours in a secure residence as seclusion; or

(2) conflict with any law providing greater or additional protections to minors.

(i) Notice of the use of restraint or seclusion on a child in the Department's custody shall be provided to the Department; the child's parent or guardian; the child's guardian ad litem; and the child's attorney, if applicable, within 24 hours.

(j) The program or staff member using seclusion or restraint shall document its use and provide a copy of each recorded use of seclusion or restraint, including a copy of any audio or visual recording, to the Commissioner. Upon request, the audio or video shall be provided through secure means of transmission and shall include blurring to protect the identity of any other children in the program who are not in custody of the Department. The documentation shall include a description of the child's specific behaviors justifying the use of the intervention. The Department shall forward complete documentation of each use of restraint or seclusion to the Office of the Child, Youth, and Family Advocate within two business days.

(k) The Department shall collect the following data on the use of seclusion and physical restraint, by placement type; program name; and the age, gender, and racial background of the child:

(1) the specific types of the seclusion or physical restraint used; and

(2) the length of time a child was secluded or physically restrained, as applicable.

(l)(1) Prior to contracting with any program for the care of a child in the Department's custody, the Department shall conduct a review of any records, from the prior five years regarding the safety of children in the program's care, including any violations of the program's licensing status and any resulting remediation.

(2) The Department shall remove any Vermont child from risk of harm and shall initiate a search for alternative providers if an out-of-state residential provider is determined to be in violation of the standards in the contract regarding restraint and seclusion or in violation of its state's licensing entity.

(m) Notwithstanding subsection (b) of this section, a child detained in a secure residential program may be restrained with mechanical restraints for a momentary initial hold to enable relocation of the child to a less restrictive method of intervention if necessitated to prevent serious and immediate harm to the child or others, except that under no circumstances shall a garment

adjacent to the child's body that restricts freedom of movement or immobilizes or reduces the ability of a child to move the child's arms, legs, body, or head freely be utilized. The procedures and standards established under this section, including notice and reporting requirements, shall apply.

(n) Notwithstanding subsection (b) of this section, a child detained in a secure residential program may be subjected to a strip search if a pat search has led to probable cause to believe that the child has possession of contraband that poses a threat of serious bodily harm to the child or others and the child has refused to voluntarily turn over the contraband. The child shall be given the opportunity before and at any time after the commencement of a search to voluntarily relinquish the suspected contraband, whereupon the search will be discontinued. Notice and reporting requirements shall be the same as for use of restraint or seclusion under this section. Body cavity searches shall not be permitted under any circumstances.

(o) The Department shall post on the Family Division's scorecard or another prominent location on its website the rates of restraint and seclusion used on children in licensed programs and the number of uses of secure transport and of restraint used during transport. The Department shall update this information at least annually.

(p) The Department shall develop and adopt rules pursuant to 3 V.S.A. chapter 25, in collaboration with the Office of the Child, Youth, and Family Advocate and in consultation with stakeholders implementing this section, including requirements for staff training; standards for supervisory oversight, recordkeeping, and reporting by residential programs; oversight responsibilities of the Department; and any other necessary standards.

Sec. 13. 33 V.S.A. § 5130(l) is amended to read:

(l)(1) Prior to contracting with any program for the care of a child in the Department's custody, the Department shall conduct a review of any records, from the prior five years regarding the safety of children in the program's care, including any violations of the program's licensing status and any resulting remediation.

(2) When contracting with an out-of-state program, the Department shall include a requirement that the program adhere to the provisions of this section.

(3) The Department shall remove any Vermont child from risk of harm and shall initiate a search for alternative providers if an out-of-state residential provider is determined to be in violation of the standards in the contract regarding restraint and seclusion or in violation of its state's licensing entity.

Sec. 14. REPORT; CHILDREN IN CORRECTIONAL FACILITIES

(a) On or before January 1, 2027, the Departments for Children and Families and of Corrections shall submit a written report to the House Committees on Human Services and on Corrections and Institutions and to the Senate Committees on Health and Welfare and on Institutions regarding the use of restraint and seclusion on minors detained in Department of Corrections' facilities and potential means for reducing physical and psychological trauma from restraint and seclusion. In preparing the required report, the Departments shall consult with a work group composed of the Office of the Child, Youth, and Family Advocate; the Office of the Defender General, Juvenile Division; Voices for Vermont's Children; the Vermont Federation of Families for Children's Mental Health; Disability Rights Vermont; and a young adult with lived experience of being detained in a Department of Corrections facility, appointed by the Office of the Child, Youth, and Family Advocate.

(b) Members of the work group who are not participating in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Office of the Child, Youth, and Family Advocate.

* * * Judicial Review of Placements for Children Previously Under the Custody of the Department for Children and Families * * *

Sec. 15. PROPOSAL TO EXTEND SUPPORTS FOR CHILDREN OVER 17 YEARS OF AGE

On or before November 1, 2026, the Department for Children and Families shall submit a written report, in consultation with the Judicial Branch, to the House Committee on Human Services and to the Senate Committee on Health and Welfare with recommendations for court oversight processes that meet federal requirements to allow access to federal funds for programs that may support youth up to 21 years of age and that ensures sustainable use of judicial resources. The report shall include any recommendations for legislative action.

* * * Prenatal Engagement and Family Support Working Group * * *

Sec. 16. PRENATAL ENGAGEMENT AND FAMILY SUPPORT WORKING GROUP

(a) Creation. There is created the Prenatal Engagement and Family Support Working Group to examine the Department for Children and Families' current practice of using a pregnancy calendar to monitor and track certain

pregnant individuals in Vermont and provide recommendations on alternatives to a pregnancy calendar and ways to support pregnant individuals in need of services.

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

(1) the Deputy Commissioner of the Family Services Division of the Department for Children and Families;

(2) the Vermont Child, Youth, and Family Advocate or designee;

(3) the Executive Director of Vermont Family Network or designee;

(4) the Executive Director of Vermont Legal Aid or designee;

(5) the President of Planned Parenthood of Northern New England or designee;

(6) the Executive Director of the Vermont Parent Representation Center or designee;

(7) the Executive Director of Recovery Partners Vermont or designee;

(8) the Executive Director of Voices for Vermont's Children or designee;

(9) the Director of the Department of Health's Maternal and Child Health Division or designee;

(10) a representative, appointed by Children of Recovering Mothers' Team at the Kidsafe Collaborative;

(11) the Director of the Office of the Defender General's Juvenile Division or designee;

(12) an individual with lived experience of being monitored by the Department while pregnant, appointed by the Speaker of the House; and

(13) an individual with lived experience of being monitored by the Department while pregnant, appointed by the Senate Committee on Committees.

(c) Powers and duties. The Working Group shall study the Department for Children and Families' current practice of using a pregnancy calendar to monitor and track certain pregnant individuals in Vermont and provide recommendations on alternatives to a pregnancy calendar and ways to support pregnant individuals in need of services.

(d) Assistance. For the purposes of scheduling meetings and providing administrative assistance, the Working Group shall have the assistance of the Department for Children and Families.

(e) Report. On or before November 15, 2026, the Working Group shall submit a written report to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the House and Senate Committees on Judiciary with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Vermont Child, Youth, and Family Advocate or designee shall call the first meeting of the Working Group to occur on or before August 1, 2026.

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

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

(4) The Working Group shall cease to exist on February 1, 2027.

(g)(1) Compensation and reimbursement. Members of the Working Group who are not otherwise compensated for attendance at meetings shall be entitled to per diem compensation and expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings.

(2) Members of the Working Group who are not participating in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than five meetings. These payments shall be made from monies appropriated to the Department for Children and Families.

* * * Effective Dates * * *

Sec. 17. EFFECTIVE DATES

(a) This section and Sec. 10 (report; restraint in transportation), Sec. 11 (use of force policy), Sec. 14 (report; children in correctional facilities), and Sec. 15 (proposal to extend supports for children over 17 years of age) shall take effect on passage.

(b) Sec. 9 (transportation of a child) and Sec. 12 (restraint and seclusion) shall take effect on January 1, 2027.

(c) Sec. 2 (33 V.S.A. § 4902) and Sec. 3 (33 V.S.A. § 4907) shall take effect on July 1, 2027.

(d) Sec. 13 (33 V.S.A. § 5130(l)) shall take effect on July 1, 2028.

(e) All remaining sections shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 27, 2026, pages 3635-3660 and April 1, 2026, pages 3727-3728)

Reported favorably by Senator Chittenden for the Committee on Finance.

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

(Committee vote: 6-0-1)

Amendments to proposal of amendment of the Committee on Health and Welfare to H. 657 to be offered by Senators Lyons, Benson, Cummings, Gulick and Morley

Senators Lyons, Benson, Cummings, Gulick and Morley move to amend the proposal of amendment of the Committee on Health and Welfare as follows:

First: In Sec. 3, 33 V.S.A. § 4907, in subdivision (c)(1), by striking out the words "a trust account" and inserting in lieu thereof the words "an account"

Second: In Sec. 17, effective dates, by striking out subsections (c) and (d) in their entireties and inserting in lieu thereof two new subsections (c) and (d) to read as follows:

(c) [Deleted.]

(d) Sec. 2 (33 V.S.A. § 4902), Sec. 3 (33 V.S.A. § 4907), and Sec. 13 (33 V.S.A. § 5130(l)) shall take effect on July 1, 2028.

H. 841.

An act relating to miscellaneous animal welfare procedures.

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

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

Sec. 1. 20 V.S.A. chapter 190 is amended to read:

CHAPTER 190. DIVISION OF ANIMAL WELFARE

§ 3201. DEFINITIONS

As used in this subchapter:

(1) "Animal" has the same meaning as in 13 V.S.A. § 351, provided that the animals or activities regulated under this chapter shall not apply to:

(A) activities regulated by the Department of Fish and Wildlife pursuant to 10 V.S.A. Part 4;

(B) scientific research governed by accepted procedural standards subject to review by an institutional animal care and use committee;

(C) livestock and poultry husbandry practices for the raising, management, and use of domestic animals;

(D) veterinary medical or surgical procedures; and

(E) the killing of an animal as authorized pursuant to sections 3809 and 3545 of this title.

(2) "Director" means the Director of Animal Welfare and includes the Director's designee.

(3) "Division" means the Division of Animal Welfare.

(4) "Domestic animal" has the same meaning as in 6 V.S.A. § 1151(2).

§ 3202. ESTABLISHMENT OF DIVISION OF ANIMAL WELFARE; POWERS AND DUTIES

(a)(1) The Division of Animal Welfare is established within the Department of Public Safety. The Commissioner of Public Safety shall appoint a Director of Animal Welfare who shall be in immediate charge of the Division. The Director shall be qualified by education and professional experience to perform the duties of the position. The Director shall have at least the following minimum qualifications:

(A) experience in interpreting or knowledge of animal welfare laws and rules;

(B) knowledge of animal welfare stakeholders in the State and regionally; and

(C) knowledge of the causes and characteristics of animal welfare and animal cruelty issues.

(2) The Director position shall be a classified service position in the Department of Public Safety.

(b)(1) The Director shall develop a comprehensive plan for the development, implementation, and enforcement of the animal welfare laws of the State. In developing the comprehensive plan, the Director shall first review the 2023 Report on Unification of Animal Welfare and Related Public Safety Function and similar reports and proposed legislation. The plan shall include:

(A) how the Director shall oversee investigation and response to animal cruelty complaints in the State in order to provide the best services to Vermont's animals statewide;

(B) how the Director shall coordinate administration and enforcement of animal welfare laws in the State in a collaborative manner with those law enforcement officers and municipalities that retain authority to enforce animal cruelty requirements in the State;

(C) how the State should address the extent and scope of any deficiencies in Vermont's system of investigating and responding to animal cruelty complaints;

(D) how the State should ensure that investigations of animal cruelty complaints are conducted according to systematic and documented written standard operating procedures and checklists;

(E) a proposal to house and care for animals seized in response to complaints of animal cruelty, including how to pay for the care of seized animals;

(F) a proposal for funding animal welfare administration and enforcement in the State, including potential sources of public and private funding; and

(G) recommended amendments to animal welfare statutes or rules, including standards of care for animals housed or imported by animal shelters or rescue organizations.

(2) The Director of Animal Welfare shall submit the comprehensive plan required by this subsection and any revisions thereto to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations not later than eight months after the date of hiring of the Director.

(c) The Director of Animal Welfare shall consult with other State agencies that respond to animal welfare complaints or with animal welfare responsibilities to estimate the number and type of animal welfare complaints received by State agencies and to quantify the amount of time State agency

staff expend in fulfilling animal welfare responsibilities, including the costs to agencies of fulfilling the responsibilities.

(d) The Director of Animal Welfare shall be the sole employee of the Division of Animal Welfare until the comprehensive plan required under subdivision (b)(2) of this section is completed and the General Assembly enacts legislation, as needed, to implement the comprehensive plan.

(e) The Division of Animal Welfare may adopt rules pursuant to 3 V.S.A. chapter 25 to implement the provisions of this chapter.

(f)(1) The Director of Animal Welfare shall require that animal shelters, rescue organizations, and pet dealers, and any person importing one or more domestic pets into the State of Vermont for adoption, sale, other transfer, or breeding shall register with the Division of Animal Welfare. The registration required by this subsection shall include information on animal intake, production, inventory, and disposition. No fee shall be charged for the registration.

(2) If a person fails to register as required by subdivision (1) of this subsection the Director shall:

(A) for a first violation, issue the person a warning; and

(B) for a second or subsequent violation, issue a fine and a cease and desist order to the same extent that the Secretary and municipal legislative bodies have authority to issue such orders under chapter 193 of this title.

(3) This subsection shall not apply to an individual importing a domestic pet for personal purposes.

§ 3203. ANIMAL WELFARE FUND

(a) The Animal Welfare Fund is established within the Department of Public Safety to fund the expenses incurred by the Division of Animal Welfare in implementing the requirements of this chapter. The Director of Animal Welfare shall administer the Fund.

(b) The Fund shall consist of:

(1) 67 percent of the revenue collected from the surcharge assessed under subsection 3581(f) of this title; ~~and~~

(2) ~~appropriations~~ transfers made by the General Assembly; and

(3) any donations, grants, or gifts made to the Fund.

(c) All balances in the Fund at the end of the fiscal year shall be carried forward. Interest earned by the Fund shall remain in the Fund.

Sec. 2. 20 V.S.A. § 3552 is added to read:

§ 3552. SEXUAL STERILIZATION OF STRAY CATS WITH NO KNOWN OWNER

An animal shelter or rescue organization that, pursuant to a contract with a municipal legislative body, impounds a stray cat with no known owner may have the cat sexually sterilized not sooner than one day after the impound.

Sec. 3. 20 V.S.A. § 3581 is amended to read:

§ 3581. GENERAL REQUIREMENTS

(a) A person who is the owner of a dog or wolf-hybrid more than six months old shall annually on or before April 1 cause it to be registered, numbered, described, and licensed on a form approved by the Secretary for one year from that day in the office of the clerk of the municipality in which the dog or wolf-hybrid is kept. A person who owns a working farm dog and who intends to use that dog on a farm pursuant to the exemptions in section 3549 of this title shall cause the working farm dog to be registered as a working farm dog and shall, in addition to all other fees required by this section, pay $5.00 for a working farm dog license. The owner of a dog or wolf-hybrid shall cause it to wear a collar and attach a license tag issued by the municipal clerk to the collar. Dog or wolf-hybrid owners shall pay for the license $4.00 for each neutered dog or wolf-hybrid, and $8.00 for each unneutered dog or wolf-hybrid. If the license fee for any dog or wolf-hybrid is not paid on or before April 1, its owner or keeper may thereafter procure a license for that license year by paying a fee of 50 percent in excess of that otherwise required.

(b) Before a person shall be entitled to obtain a license for a neutered dog or wolf-hybrid, ~~he or she~~ the person shall exhibit to the clerk a certificate signed by a duly licensed veterinarian showing that the dog or wolf-hybrid has been sexually sterilized.

* * *

(d)(1) Before obtaining a license for a dog or wolf-hybrid ~~six months of age or older~~, a person shall deliver to the municipal clerk a certificate or a certified copy thereof issued by a duly licensed veterinarian, stating that the dog or wolf-hybrid has received a current preexposure rabies vaccination with a vaccine approved by the Secretary, and the person shall certify that the dog or wolf-hybrid described in the certificate or copy is the dog or wolf-hybrid to be licensed. The municipal clerk shall keep the certificates or copies thereof on file. The Secretary shall prescribe the size and format of rabies certificates.

The owner of any such dog or wolf-hybrid shall maintain a copy of the rabies vaccination form and provide it to State or municipal officials upon request.

(2) Before obtaining a license for a wolf-hybrid, a person shall deliver to the municipal clerk a certificate or a certified copy thereof, issued by a duly licensed veterinarian, stating that the wolf-hybrid has been sexually sterilized.

* * *

Sec. 4. 20 V.S.A. § 3583 is amended to read:

§ 3583. ~~DOMESTIC PETS AND WOLF-HYBRIDS KEPT FOR BREEDING PURPOSES~~

~~(a) The owner or keeper of domestic pets and wolf-hybrids kept for breeding purposes may take out annually, on or before April 1, a special license for the domestic pets or wolf-hybrids, provided:~~

~~(1) He or she keeps the domestic pets or wolf-hybrids within a proper enclosure. A proper enclosure is a locked fence or structure of sufficient height and sufficient depth into the ground to prevent the entry of young children and to prevent the animal from escaping. A proper enclosure also provides humane shelter for the animal.~~

~~(2) The domestic pets or wolf-hybrids at all times have a current vaccination against rabies.~~

~~(3) When the number of domestic pets or wolf-hybrids so kept does not exceed ten, the fee shall be $30.00 and for each additional domestic pet or wolf-hybrid so kept, an annual fee of $3.00.~~

~~(b) Domestic pets and wolf-hybrids covered by the special license pursuant to this section shall be exempt from other license fees, and all licenses under this section are exempt from the surcharge enacted under subsection (c) of section 3581 of this title.~~

~~(c) If the license fee is not paid by April 1, the owner or keeper may thereafter procure a license for that license year by paying a fee of 50 percent in excess of that otherwise required. These license fees are in addition to any fees required for the operation of a kennel under subchapter 3 of this chapter.~~ [Repealed.]

Sec. 5. 20 V.S.A. § 3682 is amended to read:

§ 3682. INSPECTION OF PREMISES

(a) The pet dealer's premises may be inspected upon the issuance of the pet dealer permit or at any time the pet dealer permit is in effect. Inspections may be conducted by a municipal animal control officer, a law enforcement officer

as that term is defined in 23 V.S.A. § 4(11), or a representative of the Agency of Agriculture, Food and Markets. The inspector may, at ~~his or her~~ the inspector's discretion and with the approval of the municipality, be accompanied by a veterinarian or an officer or agent of a humane society incorporated in Vermont. This section shall not create an obligation on the part of any municipal legislative body to conduct inspections.

* * *

Sec. 6. 20 V.S.A. § 3814 is amended to read:

§ 3814. FINDINGS

The General Assembly finds:

(1) The supply of dogs, cats, and wolf-hybrids in Vermont is a major concern.

(2) There are insufficient resources in this State to care for or provide homes for these animals.

(3) Many of these animals are ultimately euthanized or become victims of accidents, starvation, or disease.

(4) Pet owners who have limited economic resources have great difficulty affording the cost of professional ~~spaying and neutering~~ sexual sterilization services.

Sec. 7. 20 V.S.A. § 3815 is amended to read:

§ 3815. DOG, CAT, AND WOLF-HYBRID ~~SPAYING AND NEUTERING~~ SEXUAL STERILIZATION PROGRAM

(a) The Agency of Human Services shall administer a dog, cat, and wolf-hybrid ~~spaying and neutering~~ sexual sterilization program providing reduced-cost ~~spaying and neutering~~ sexual sterilization services and presurgical immunization for dogs, cats, and wolf-hybrids owned or cared for by individuals with low income. The Agency ~~shall~~ may implement the program through an agreement with a qualified organization consistent with the applicable administrative rules.

(b) The program shall reimburse veterinarians who voluntarily consent to ~~spay or neuter~~ sexually sterilize dogs, cats, and wolf-hybrids under the auspices of the program. The reimbursement shall be less any co-payment by the owner of a dog, cat, or wolf-hybrid for the cost of each ~~spaying or neutering~~ sexual sterilization procedure.

* * *

Sec. 8. 20 V.S.A. § 3816 is amended to read:

§ 3816. ANIMAL ~~SPAYING AND NEUTERING~~ SEXUAL STERILIZATION FUND; CREATION

(a) There is created, pursuant to 32 V.S.A. chapter 7, subchapter 5, in the Agency of Human Services the Dog, Cat, and Wolf-Hybrid ~~Spaying and Neutering~~ Sexual Sterilization Special Fund to finance the costs of the dog, cat, and wolf-hybrid ~~spaying and neutering~~ sexual sterilization program established in section 3815 of this title.

(b) Revenue for the Fund shall be derived from:

(1) the surcharge payment paid to a municipality pursuant to subdivision 3581(c)(1) of this title;

(2) gifts from private donors; and

(3) any appropriation that the General Assembly makes to the Fund.

(c) Interest earned on the Fund shall be retained in the Fund.

(d) The Agency of Human Services shall use the revenue in the Fund created in subsection (a) of this section for administering the dog, cat, and wolf-hybrid ~~spaying and neutering~~ sexual sterilization program.

Sec. 9. 20 V.S.A. § 3903 is amended to read:

§ 3903. ANIMAL SHELTERS AND RESCUE ORGANIZATIONS

(a) [Repealed.]

(b) Animal intake. An animal shelter or rescue organization as defined by section 3901 of this title shall ~~make every effort to~~ collect the following information, if available, about an animal it accepts: the name and address of the person transferring the animal and, if known, the name of the animal; its vaccination history; and other information concerning the background, temperament, and health of the animal.

* * *

Sec. 10. 20 V.S.A. § 3907 is amended to read:

§ 3907. DENIAL OR REVOCATION OF REGISTRATION OR LICENSE

Issuance of a certificate of registration may be denied to any animal shelter, rescue organization, pet dealer, or fair, or a license may be denied to any public auction or pet shop or any certificate or license previously granted under this chapter may be revoked by the Secretary if, after public hearing, it is determined that the housing facilities or primary enclosures are inadequate for the purposes of this chapter or if the feeding, watering, sanitizing, and

housing practices of the animal shelter, rescue organization, fair, public auction, or pet shop, as the case may be, are not consistent with this chapter or with rules adopted under this chapter.

Sec. 11. 20 V.S.A. § 3911 is amended to read:

§ 3911. PENALTIES

(a) Any person licensed or registered under this chapter who fails to provide animals under the person's care or custody with adequate food or adequate water, as defined in section 3901 of this title, or who fails to house animals in the person's care or custody in a manner that is adequate for their welfare, shall be fined not more than $500.00.

(b) Any person who operates a fair or public auction or who transacts business as a pet shop, animal shelter, pet dealer, or rescue organization without being duly licensed or without possessing a proper certificate of registration, as the case may be, as required under this chapter, or who violates any provision of this chapter or of any rule lawfully adopted under its authority for which no other penalty is provided shall be fined not more than $300.00 or imprisoned for not more than six months, or both.

(c) The Secretary may assess administrative penalties under 6 V.S.A. §§ 15–17, not to exceed $1,000.00, for violations of this chapter.

Sec. 12. 20 V.S.A. § 3915 is amended to read:

§ 3915. HEALTH CERTIFICATE FOR TRANSPORT INTO STATE

(a) A dog, cat, ferret, or wolf-hybrid imported into the State for sale, resale, exchange, or donation shall be accompanied by an official health certificate or similar certificate of inspection for the dog, cat, ferret, or wolf-hybrid issued by a veterinarian licensed in the state or country of origin. The certificate shall certify that:

(1) the dog, cat, ferret, or wolf-hybrid has been inspected and is free of visible signs of infections or contagious or communicable disease; ~~and~~

(2) if the dog, cat, ferret, or wolf-hybrid is more than three months of age, the dog, cat, ferret, or wolf-hybrid has a current rabies vaccination or is a specific breed for which a rabies vaccination is not age-appropriate; and

(3) if the wolf-hybrid is more than four months of age, the wolf-hybrid has been sexually sterilized.

(b) The Agency of Agriculture, Food and Markets may adopt rules regarding the issuance and contents of any certificate required under subsection (a) of this section.

Sec. 13. 20 V.S.A. § 3916 is added to read:

§ 3916. INSURANCE

Pet dealers, animal shelters, rescue organizations, and keepers of animals for breeding purposes shall, as a condition of their licenses or certificates of registration, be required to obtain and maintain a commercially reasonable level of general liability insurance.

Sec. 14. REPORT

On or before December 15, 2026, the Director of Animal Welfare shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the next steps necessary for the creation of a comprehensive animal welfare program in Vermont, including specifically a proposal for the development of an oversight structure for dog and cat breeders and sellers, and people owning large numbers of these animals. The Director shall consult with stakeholders and registrants for purposes of preparing the report required by this section.

Sec. 15. EFFECTIVE DATE

This act shall take effect on passage.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 13, 2026, pages 3245-3256, and March 17, 2026, pages 3290-3291)

H. 931.

An act relating to miscellaneous changes in education law.

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

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

* * * Approved Independent School Moratorium * * *

Sec. 1. 2023 Acts and Resolves No. 78, Sec. E.511.1, as amended by 2025 Acts and Resolves No. 72, Sec. 16, is amended to read:

Sec. E.511.1 MORATORIUM ON APPROVAL OF NEW APPROVED INDEPENDENT SCHOOLS

(a) Notwithstanding any provision of law to the contrary, the State Board of Education shall be prohibited from approving an application for initial

approval of an approved independent school until further direction by the General Assembly.

(b) Notwithstanding subsection (a) of this section, a change in either tax status or conversion to a nonprofit organization by a therapeutic approved independent school, absent any other changes, shall not affect the approval status of the school.

(c) Notwithstanding subsections (a) and (b) of this section, the moratorium on approval of new approved independent schools shall not apply to changes in ownership of therapeutic approved independent schools as that term is defined in 16 V.S.A. § 828(d). If submission of an application for initial approval of an approved independent school is required as the result of a change in ownership of a therapeutic approved independent school that at the time of the change in ownership is approved by the State Board of Education pursuant to 16 V.S.A. § 166, and the school will remain a therapeutic approved independent school after the change in ownership is complete, the moratorium created pursuant to subsection (a) of this section shall not apply and the Agency of Education and State Board of Education shall process the application according to applicable State and federal law.

* * * Interstate Compact for Education * * *

Sec. 2. 16 V.S.A. chapter 35 is added to read:

CHAPTER 35. INTERSTATE COMPACT FOR EDUCATION

§ 1501. PURPOSE AND POLICY—ARTICLE I

(a) It is the purpose of this compact to:

(1) establish and maintain close cooperation and understanding among executive, legislative, professional educational, and lay leadership on a nationwide basis at the state and local levels;

(2) provide a forum for the discussion, development, crystallization, and recommendation of public policy alternatives in the field of education;

(3) provide a clearinghouse of information on matters relating to education problems and how they are being met in different places throughout the nation, so that the executive and legislative branches of state government and of local communities may have ready access to the experience and record of the entire country, and so that both lay and professional groups in the field of education may have additional avenues for the sharing of experience and the interchange of ideas in the formation of public policy in education;

(4) facilitate the improvement of state and local education systems so that all of them will be able to meet adequate and desirable goals in a society

that requires continuous qualitative and quantitative advance in educational opportunities, methods, and facilities.

(b) It is the policy of this compact to encourage and promote local and state initiative in the development, maintenance, improvement, and administration of education systems and institutions in a manner that will accord with the needs and advantages of diversity among localities and states.

(c) The party states recognize that each of them has an interest in the quality and quantity of education furnished in each of the other states, as well as in the excellence of its own education systems and institutions, because of the highly mobile character of individuals within the nation, and because the products and services contributing to the health, welfare, and economic advancement of each state are supplied in significant part by persons educated in other states.

§ 1502. STATE DEFINED—ARTICLE II

As used in this compact, "state" means a state, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico.

§ 1503. THE COMMISSION—ARTICLE III

(a) The Education Commission of the States, hereinafter called "the Commission," is hereby established. The Commission shall consist of seven members representing each party state. One of such members shall be the governor; two shall be members of the state legislature selected by its respective houses and serving in such manner as the legislature may determine; and four shall be appointed by and serve at the pleasure of the governor, unless the laws of the state otherwise provide. If the laws of a state prevent legislators from serving on the Commission, six members shall be appointed and serve at the pleasure of the governor, unless the laws of the state otherwise provide. In addition to any other principles or requirements which a state may establish for the appointment and service of its members of the Commission, the guiding principle for the composition of the membership on the Commission from each party state shall be that the members representing such state shall, by virtue of their training, experience, knowledge, or affiliations, be in a position collectively to reflect broadly the interests of the state government, higher education, the state education system, local education, and lay and professional, public and nonpublic educational leadership. Of those appointees, one shall be the head of a state agency or institution, designated by the governor, having responsibility for one or more programs of public education. In addition to the members of the Commission representing the party states, there may be not to exceed 10 nonvoting commissioners selected by the Steering Committee for terms of one year. Such commissioners shall

represent leading national organizations of professional educators or persons concerned with educational administration.

(b) The members of the Commission shall be entitled to one vote each on the Commission. No action of the Commission shall be binding unless taken at a meeting at which a majority of the total number of votes on the Commission are cast in favor thereof. Action of the Commission shall be only at a meeting at which a majority of the commissioners are present. The Commission shall meet at least once a year. In its bylaws, and subject to such directions and limitations as may be contained therein, the Commission may delegate the exercise of any of its powers to the Steering Committee or the Executive Director, except for the power to approve budgets or requests for appropriations, the power to make policy recommendations pursuant to section 1504 of this chapter, and adoption of the annual report pursuant to subsection (j) of this section.

(c) The Commission shall have a seal.

(d) The Commission shall elect annually, from among its members, a chairman, who shall be a governor; a vice chairman; and a treasurer. The Commission shall provide for the appointment of an Executive Director. Such Executive Director shall serve at the pleasure of the Commission, and together with the Treasurer and such other personnel as the Commission may deem appropriate shall be bonded in such amount as the Commission shall determine. The Executive Director shall be Secretary.

(e) Irrespective of the civil service, personnel, or other merit system laws of any of the party states, the Executive Director, subject to the approval of the Steering Committee, shall appoint, remove, or discharge such personnel as may be necessary for the performance of the functions of the Commission and shall fix the duties and compensation of such personnel. The Commission in its bylaws shall provide for the personnel policies and programs of the Commission.

(f) The Commission may borrow, accept, or contract for the services of personnel from any party jurisdiction, the United States or any subdivision or agency of the aforementioned governments, or from any agency of two or more of the party jurisdictions or their subdivisions.

(g) The Commission may accept for any of its purposes and functions under this compact any and all donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state, the United States, or any other governmental agency, or from any person, firm, association, foundation or corporation, and may receive, utilize, and dispose of the same. Any donation or grant accepted by the Commission pursuant to this

subsection or services borrowed pursuant to subsection (f) of this section shall be reported in the annual report of the Commission. Such report shall include the nature, amount, and conditions, if any, of the donation, grant, or services borrowed, and the identity of the donor or lender.

(h) The Commission may establish and maintain such facilities as may be necessary for the transacting of its business. The Commission may acquire, hold, and convey real and personal property and any interest therein.

(i) The Commission shall adopt bylaws for the conduct of its business and shall have the power to amend and rescind these bylaws. The Commission shall publish its bylaws in convenient form and shall file a copy thereof and a copy of any amendment thereto with the appropriate agency or officer in each of the party states.

(j) The Commission annually shall make to the governor and legislature of each party state a report covering the activities of the Commission for the preceding year. The Commission may make such additional reports as it may deem desirable.

§ 1504. POWERS—ARTICLE IV

In addition to authority conferred on the Commission by other provisions of the Compact, the Commission shall have authority to:

(1) collect, correlate, analyze, and interpret information and data concerning educational needs and resources;

(2) encourage and foster research in all aspects of education, but with special reference to the desirable scope of instruction, organization, administration, and instructional methods and standards employed or suitable for employment in public education systems;

(3) develop proposals for adequate financing of education as a whole and at each of its many levels;

(4) conduct or participate in research of the types referred to in this section in any instance where the Commission finds that such research is necessary for the advancement of the purposes and policies of this compact, using fully the resources of national associations, regional compact organizations for higher education, and other agencies and institutions, both public and private;

(5) formulate suggested policies and plans for the improvement of public education as a whole, or for any segment thereof, and make recommendations with respect thereto available to the appropriate governmental units, agencies, and public officials;

(6) do such other things as may be necessary or incidental to the administration of any of its authority or functions pursuant to this compact.

§ 1505. COOPERATION WITH FEDERAL GOVERNMENT—ARTICLE V

(a) If the laws of the United States specifically so provide, or if administrative provision is made therefore within the federal government, the United States may be represented on the Commission by not to exceed 10 representatives. Any such representative or representatives of the United States shall be appointed and serve in such manner as may be provided by or

pursuant to federal law, and may be drawn from any one or more branches of the federal government, but no such representative shall have a vote on the Commission.

(b) The Commission may provide information and make recommendations to any executive or legislative agency or officer of the federal government concerning the common education policies of the states, and may advise with any such agencies or officers concerning any matter of mutual interest.

§ 1506. COMMITTEES—ARTICLE VI

(a) To assist in the expeditious conduct of its business when the full Commission is not meeting, the Commission shall elect a Steering Committee of 32 members which, subject to the provisions of this compact and consistent with the policies of the Commission, shall be constituted and function as provided in the bylaws of the Commission. One-fourth of the voting membership of the Steering Committee shall consist of governors, one-fourth shall consist of legislators, and the remainder shall consist of other members of the Commission. A federal representative on the Commission may serve with the Steering Committee, but without vote. The voting members of the Steering Committee shall serve for terms of two years, except that members elected to the first Steering Committee of the Commission shall be elected as follows: 16 for one year and 16 for two years. The Chairman, Vice Chairman, and Treasurer of the Commission shall be members of the Steering Committee and, anything in this subsection to the contrary notwithstanding, shall serve during their continuance in these offices. Vacancies in the Steering Committee shall not affect its authority to act, but the Commission at its next regularly ensuing meeting following the occurrence of any vacancy shall fill it for the unexpired term. No person shall serve more than two terms as a member of the Steering Committee, provided that service for a partial term of one year or less shall not be counted toward the two-term limitation.

(b) The Commission may establish advisory and technical committees composed of state, local and federal officials, and private persons to advise it

with respect to any one or more of its functions. Any advisory or technical committee may, on request of the states concerned, be established to consider any matter of special concern to two or more of the party states.

(c) The Commission may establish such additional committees as its bylaws may provide.

§ 1507. FINANCE—ARTICLE VII

(a) The Commission shall advise the governor or designated officer or officers of each party state of its budget and estimated expenditures for such period as may be required by the laws of that party state. Each of the Commission's budgets of estimated expenditures shall contain specific recommendations of the amount or amounts to be appropriated by each of the party states.

(b) The total amount of appropriation requests under any budget shall be apportioned among the party states. In making such apportionment, the Commission shall devise and employ a formula which takes equitable account of the populations and per capita income levels of the party states.

(c) The Commission shall not pledge the credit of any party states. The Commission may meet any of its obligations in whole or in part with funds available to it pursuant to subsection 1503(g) of this chapter of this compact, provided that the Commission takes specific action setting aside such funds prior to incurring an obligation to be met in whole or in part in such manner. Except where the Commission makes funds available to it pursuant to subsection 1503(g) of this chapter thereof, the Commission shall not incur any obligation prior to the allotment of funds by the party states adequate to meet the same.

(d) The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established by its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be included in and become part of the annual reports of the Commission.

(e) The accounts of the Commission shall be open at any reasonable time for inspection by duly constituted officers of the party states and by any persons authorized by the Commission.

(f) Nothing contained herein shall be construed to prevent Commission compliance with laws relating to audit or inspection of accounts by or on behalf of any government contributing to the support of the Commission.

§ 1508. ELIGIBLE PARTIES; ENTRY INTO AND WITHDRAWAL—ARTICLE VIII

(a) This compact shall have as eligible parties all states, territories, and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. In respect of any such jurisdiction not having a governor, the term "governor," as used in this compact, shall mean the closest equivalent official of such jurisdiction.

(b) Any state or other eligible jurisdiction may enter into this compact, and it shall become binding thereon when it has adopted the same, provided that in order to enter into initial effect, adoption by at least 10 eligible party jurisdictions shall be required.

(c) Adoption of the Compact may be either by enactment thereof or by adherence thereto by the governor; provided that in the absence of enactment, adherence by the governor shall be sufficient to make his state a party only until December 31, 1967. During any period when a state is participating in this compact through gubernatorial action, the governor shall appoint

those persons who, in addition to himself, shall serve as the members of the Commission from his state, and shall provide to the Commission an equitable share of the financial support of the Commission from any source available to him.

(d) Except for a withdrawal effective on December 31, 1967, in accordance with subsection (c) of this section, any party state may withdraw from this compact by enacting a statute repealing the same, but no such withdrawal shall take effect until one year after the governor of the withdrawing state has given notice in writing of the withdrawal to the governors of all other party states. No withdrawal shall affect any liability already incurred by or chargeable to a party state prior to the time of such withdrawal.

§ 1509. AMENDMENTS TO THE COMPACT—ARTICLE IX

This Compact may be amended by a vote of two-thirds of the members of the Commission present and voting when ratified by the legislatures of two-thirds of the party states.

§ 1510. CONSTRUCTION AND SEVERABILITY—ARTICLE X

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any state or of the United States, or the application thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any

government, agency, person, or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the Compact shall remain in full force and effect as to the state affected as to all severable matters.

* * * Background Checks * * *

Sec. 3. 16 V.S.A. § 254a is added to read:

§ 254a. AGENCY OF EDUCATION EMPLOYEES

(a) The Agency of Education shall request criminal record information for a person the Secretary of Education is prepared to recommend for any full-time, part-time, or temporary employment or contractual relationship with the Agency if such person will have or has the potential to have unsupervised contact with students (the applicant).

(b) After signing a user agreement, the Secretary shall make a request for criminal records directly to the Vermont Crime Information Center.

(c) A request made under subsection (b) of this section shall be accompanied by a release signed by the applicant on a form provided by the Vermont Crime Information Center and a set of the applicant's fingerprints. The Agency shall pay the fingerprinting fee required pursuant to 20 V.S.A. § 2062 and shall pay any fee required by the FBI associated with a fingerprint-supported criminal record check. The release form to be signed by the applicant shall include a statement informing the applicant of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(d) Upon completion of a criminal record check, the Vermont Crime Information Center shall send to the Secretary a notice that no record exists or, if a record exists, a copy of any criminal record. If a copy of a criminal record is received, the Secretary shall forward it to the applicant and shall inform the applicant in writing of:

(1) the right to challenge the accuracy of the record by appealing to the Vermont Crime Information Center pursuant to rules adopted by the Commissioner of Public Safety; and

(2) the Secretary of Education's policy regarding maintenance and destruction of records and the applicant's right to request that the record or notice be maintained for purposes of using it to comply with future criminal record check requests made pursuant to section 256 of this title.

(e) The Secretary shall request and obtain information from the Child Protection Registry maintained by the Department for Children and Families and from the Vulnerable Adult Abuse, Neglect, and Exploitation Registry maintained by the Department of Disabilities, Aging, and Independent Living (collectively, the Registries) for any applicant for whom a criminal record check is required under subsection (a) of this section. The Departments for Children and Families and of Disabilities, Aging, and Independent Living shall adopt rules in accordance with 3 V.S.A. chapter 25 governing the process for obtaining information from the Registries and for disseminating and maintaining records of that information under this subsection.

(f) An applicant convicted of a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3 shall not be eligible for employment with the Agency.

Sec. 4. 16 V.S.A. § 256 is amended to read:

§ 256. CONTINUED VALIDITY OF CRIMINAL RECORD CHECK; MAINTENANCE OF RECORDS

(a)(1) Anyone required to request a criminal record check under this subchapter about a person who previously has undergone a check, regardless of whether the check was for student teaching, licensure, or employment purposes, shall comply with that requirement by acquiring the results of the previous criminal record check unless:

(A) the person refuses to authorize release of the information;

(B) the record no longer exists;

(C) since the record check, there has been a period of one year or more during which the person has not worked for a Vermont school district ~~or~~, a recognized or an approved independent school, or the Agency of Education; or

(D) as otherwise required by this chapter.

(2) Anyone required to request a criminal record check under this subchapter about a person who has previously undergone a check may request a name and date of birth or fingerprint-supported recheck of the criminal record at any time during the course of the record subject's employment in the

capacity for which the original check was required. Rechecking criminal records may be accomplished through a subscription service.

* * *

* * * Intercollegiate Sexual Harm Prevention Council * * *

Sec. 5. 16 V.S.A. § 183 is amended to read:

§ 183. INTERCOLLEGIATE SEXUAL HARM PREVENTION COUNCIL

(a) Creation. There is created the Intercollegiate Sexual Harm Prevention Council to ~~create a coordinated~~ advance best practices for prevention of and response to campus sexual harm across institutions of higher learning in Vermont.

(b) Membership.

~~(1)~~ The Council shall be composed of the following members:

~~(A)~~(1) ~~a~~ the Title IX coordinator ~~and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the Chancellor of the Vermont State Colleges~~ or designee from each postsecondary school chartered in Vermont with a physical campus located within Vermont;

~~(B)~~(2) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the University of Vermont~~ a peer educator or advocate appointed by the Vice Provost for Student Affairs of the University of Vermont;

~~(C)~~(3) ~~a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the Association of Vermont Independent Colleges~~ the Executive Director of the Network Against Domestic and Sexual Violence or designee;

~~(D)~~(4) ~~two community-based sexual violence advocates, appointed by the Network Against Domestic and Sexual Violence~~ the Program Coordinator of the Vermont Forensic Nursing Program or designee; and

~~(E)~~(5) ~~two law enforcement or public safety representatives with experience responding to and investigating campus sexual violence, appointed by the Commissioner of Public Safety;~~ the Commissioner of Public Safety or designee.

~~(F) three college students, at least one of whom has lived experience as a sexual violence survivor and one who represents a campus-based racial justice organization, appointed by the Center for Crime Victim Services;~~

~~(G) a person with expertise in sexual violence responses within the lesbian, gay, bisexual, transgender, and queer community, appointed by the Center for Crime Victim Services;~~

~~(H) a sexual assault nurse examiner, appointed by the Network Against Domestic and Sexual Violence;~~

~~(I) a prosecutor with experience in prosecuting sexual violence cases from either the Department of State's Attorneys and Sheriffs or the Office of the Attorney General, appointed by the Attorney General; and~~

~~(J) an attorney with experience in sexual violence cases, appointed by the Defender General.~~

~~(2) To ensure a council that is reflective of Vermont's college campuses, appointing authorities shall consider diversity when making appointments to the Council.~~

(c) Duties. The Council shall:

(1) ~~review the recommendations from the Report of the Vermont Campus Sexual Harm Task Force and develop prevention solutions to sexual harm based on those recommendations;~~ [Repealed.]

(2) ~~implement interdisciplinary planning and information sharing to support sexual violence prevention programs on every college campus in Vermont;~~ [Repealed.]

(3) ~~undertake an annual review of trends in aggregate data collected by institutions of higher learning regarding sexual violence on college campuses in Vermont;~~ [Repealed.]

(4) ~~identify and~~ share information about effective practices ~~on~~ regarding sexual violence prevention and response, sexual health education, and strategies for mitigating sexual harm and secondary impacts of sexual harm on college campuses in Vermont;

(5) ~~identify~~ share information about campus-wide activities, publications, and services that promote a campus culture of respect to support the prevention of sexual harm;

(6) ~~recommend statutory protections to the General Assembly not later than November 1, 2021 to ensure that survivors of sexual harm are not punished for reporting an incident of sexual violence due to alcohol, drug use,~~

~~or other minor conduct violations occurring at or around the time of an assault; and~~ [Repealed.]

(7) ~~create or promote annual~~ share information about training opportunities addressing prevention and sexual assault response processes ~~open to representatives from all Vermont postsecondary schools~~ for college populations.

(d) ~~Assistance. The Council shall have the administrative and technical assistance of the Network Against Domestic and Sexual Violence.~~ [Repealed.]

(e) ~~Report. On or before December 1, 2022 and annually thereafter, the Council shall submit a written report to the General Assembly with a summary of activities and any recommendations for legislative action.~~ [Repealed.]

(f) Meetings.

(1) The Network Against Domestic and Sexual Violence shall call the first meeting of the Council to occur on or before ~~July 15, 2021~~ November 15, 2026.

(2) The Council shall select ~~a chair~~ co-chairs from among its members at the first meeting, with one chair representing a public postsecondary school and one chair representing a private postsecondary school.

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

(4) The Council shall meet ~~quarterly~~ twice per year.

(5) ~~Members who are not otherwise compensated by the member's employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Network Against Domestic and Sexual Violence for such purposes~~ The co-chairs shall provide the Council with administrative support.

(6) The Council may invite or consult other community representatives as it deems appropriate.

* * * Hazing, Harassment, and Bullying Advisory Council * * *

Sec. 6. 16 V.S.A. § 570 is amended to read:

§ 570. HARASSMENT, HAZING, AND BULLYING PREVENTION POLICIES

* * *

(d) Duties of the Secretary. The Secretary shall:

(1) develop ~~and, from time to time, update~~ model harassment, hazing, and bullying prevention policies; ~~and~~

(2) establish an Advisory Council ~~to review and coordinate school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying. The Council shall report annually in January to the State Board and the House and Senate Committees on Education. The Council shall include:~~

~~(A) the Executive Director of the Vermont Principals' Association or designee;~~

~~(B) the Executive Director of the Vermont School Boards Association or designee;~~

~~(C) the Executive Director of the Vermont Superintendents Association or designee;~~

~~(D) the President of the Vermont-National Education Association or designee;~~

~~(E) the Executive Director of the Vermont Human Rights Commission or designee;~~

~~(F) the Executive Director of the Vermont Independent Schools Association or designee; and~~

~~(G) other members selected by the Secretary, at least one of whom shall be a current secondary student who has witnessed or experienced harassment, hazing, or bullying in the school environment~~; and

(3) provide the Advisory Council with administrative support.

(e) Advisory Council on Harassment, Hazing, and Bullying Prevention in Schools.

(1) Membership. The Advisory Council shall be composed of the following members:

(A) the Executive Director of the Vermont Principals' Association or designee;

(B) the Executive Director of the Vermont School Boards Association or designee;

(C) the Executive Director of the Vermont Superintendents Association or designee;

(D) the President of the Vermont-National Education Association or designee;

(E) the Executive Director of the Vermont Human Rights Commission or designee;

(F) the Executive Director of the Vermont Independent Schools Association or designee;

(G) two members who serve as designated employees under the hazing, harassment, and bullying prevention policy, appointed by the Secretary of Education;

(H) a member, appointed by the Vermont Educational Equity Collective;

(I) a school social worker, appointed by the National Association of Social Workers-Vermont Chapter;

(J) a member, appointed by the Vermont Coalition for Disability Rights;

(K) a student member, appointed by the Vermont Student Anti-Racism Network;

(L) a student member, appointed by Outright Vermont;

(M) a member, appointed by the Office of Racial Equity;

(N) a member, appointed by the Commission on Women;

(O) a member, appointed by the Vermont Network Against Domestic and Sexual Violence; and

(P) a parent or caregiver member, appointed by the Vermont Family Network.

(2) Duties. The Advisory Council shall:

(A) meet at least four and not more than 12 times per year;

(B) review and advise on coordination of school and statewide activities relating to the prevention of and response to harassment, hazing, and bullying;

(C) review the model harassment, hazing, and bullying prevention policies developed by the Secretary every three years, beginning in 2026, and recommend updates to the policies as necessary;

(D) review and advise on resources on harassment, hazing, and bullying prevention and response for school professionals;

(E) annually solicit input from students, parents, and schools on harassment, hazing, and bullying; and

(F) notwithstanding 2 V.S.A. § 20(d), annually on or before January 15, submit a written report to House and Senate Committees on Education, which shall hold a joint legislative hearing each legislative session to review the report. The Advisory Council shall also submit the report to the State Board of Education at the same time.

(3) Compensation and reimbursement. Members of the Advisory Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings of the Advisory Council per year from funds appropriated to the Agency of Education.

~~(e)~~(f) Definitions. In this subchapter:

(1) "Educational institution" and "school" mean a public school or an approved or recognized independent school as defined in section 11 of this title.

(2) "Organization," "pledging," and "student" have the same meanings as in section 570i of this title.

(3) "Harassment," "hazing," and "bullying" have the same meanings as in subdivisions 11(a)(26), (30), and (32) of this title.

(4) "School board" means the board of directors or other governing body of an educational institution when referring to an independent school.

Sec. 7. APPROPRIATION

The sum of $21,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2027 for per diem compensation and reimbursement of expenses for the Advisory Council on Harassment, Hazing, and Bullying Prevention as authorized pursuant to 16 V.S.A. § 570(e)(3).

* * * Energy Performance Contracting * * *

Sec. 8. 16 V.S.A. § 3448f(a)(1) is amended to read:

(1) "Cost-saving measure" means any facility improvement, repair, addition, or alteration or any equipment, fixture, or furnishing to be constructed or installed in any facility that is designed to reduce energy consumption and operating costs or to increase the operating efficiency of facilities for their appointed functions, that is cost effective, and that is further defined by State Board rule.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 6-0-0)

(For House amendments, see House Journal of March 24, 2026, page 3464)

H. 937.

An act relating to miscellaneous judiciary procedures.

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

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

First: In Sec. 2, 7 V.S.A. § 656, after the second ellipses, by inserting the following:

(d) Issuance of notice of suspension.

(1) On behalf of the Commissioner of Motor Vehicles, a law enforcement officer issuing a notice of violation in accordance with subsection (c) of this section for a violation of subdivision (b)(1)(E) of this section shall also serve a notice of suspension of the person's operator's license and privilege to operate a motor vehicle in a form prescribed by the Court Administrator. The form shall include the following:

(A) the effective date of the suspension;

(B) the suspension's duration;

(C) an explanation of the consequences of the suspension;

(D) the option to operate a motor vehicle with an ignition interlock restricted driver's license or certificate in accordance with 23 V.S.A. § 1213;

(E) the projected date of reinstatement upon successful completion of the suspension; and

(F) the ability to review the imposition of the suspension pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

* * *

Second: By striking out Sec. 3, 7 V.S.A. § 1005, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. [Deleted.]

Third: In Sec. 5, 12 V.S.A. § 506, in subdivision (b)(3)(C), by striking out "affirmation" and inserting in lieu thereof "affirmative"

Fourth: By adding eight new sections to be Secs. 40a–40h to read as follows:

Sec. 40a. 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:

* * *

(24) To provide and sustain trauma-informed family support services and programming pursuant to section 128 of this title.

(25) To provide notification and other services to victims. Notwithstanding any other provision of law requiring the Department to provide notification or other services to victims, a victim may decline any notification or other service provided by the Department.

Sec. 40b. 13 V.S.A. § 2029 is amended to read:

§ 2029. HOME IMPROVEMENT AND LAND IMPROVEMENT FRAUD

* * *

(b) A person commits the offense of home improvement or land improvement fraud when the person knowingly enters into a contract ~~or~~, agreement, or change order, written or oral, for $1,000.00 or more, with an owner for home improvement or land improvement, or into several contracts ~~or~~, agreements, or change orders for $2,500.00 or more in the aggregate, with more than one owner for home improvement or land improvement, and the person knowingly:

(1)~~(A) fails to perform the contract or agreement, in whole or in part; and~~

~~(B) when the owner requests performance, payment, or a refund of payment made, the person fails to either:~~

~~(i) refund the payment;~~

~~(ii) make and comply with a definite plan for completion of the work that is agreed to by the owner; or~~

~~(iii) make the payment~~ promises performance that the person does not intend to perform or knows will not be performed, in whole or in part;

(2) misrepresents a material fact relating to the terms of the contract ~~or~~, agreement, or change order or to the condition of any portion of the property involved;

(3) uses or employs any unfair or deceptive act or practice in order to induce, encourage, or solicit such person to enter into any contract ~~or~~, agreement, or change order or to modify the terms of the original contract ~~or~~, agreement, or change order; or

(4) when there is a declared state of emergency, charges for goods or services related to the emergency a price that exceeds two times the average price for the goods or services and the increase is not attributable to the additional costs incurred in connection with providing those goods or services.

* * *

Sec. 40c. 12 V.S.A. § 5606 is amended to read:

§ 5606. INDEMNIFICATION OF EMPLOYEES

(a) In any action defended by the Attorney General or the Attorney General's designee in which a judgment is rendered against an employee of the State for acts or omissions within the scope of his or her employment, or a settlement requires payment by such a person, and the right of action is based upon 42 U.S.C. § 1983 or a similar State statute, or under a similar federal statute where State law is incapable of establishing employee immunity, the State shall indemnify the employee for the amount of the employee's liability.

(b) The maximum liability of the State under this section shall be $500,000.00 to any one person and the maximum aggregate liability shall be $2,000,000.00 to all persons arising out of each occurrence.

* * *

Sec. 40d. 2023 Acts and Resolves No. 47, Sec. 44 is amended to read:

Sec. 44. TENANT REPRESENTATION PILOT PROGRAM

(a) Creation; purpose. Vermont Legal Aid shall create and administer a two-year Tenant Representation Pilot Program:

(1) to provide full representation to eligible and consenting tenants in ~~Lamoille and Windsor counties~~ Vermont who have been served with a summons and complaint for eviction; and

(2) to determine the impact of representation on the issuance of writs of possession and homelessness prevention.

(b) Tenant eligibility. Vermont Legal Aid may enter a notice of appearance on behalf of a residential tenant ~~in Lamoille or Windsor County~~ who is served with a summons and complaint in an ejectment action, consents to the representation, and meets the following criteria:

(1) household income equals or is less than 120 percent of State area median income;

(2) the cost of rent equals or exceeds 30 percent of household income; or

(3) household expenses exceed income.

(c) Scope of representation.

(1) Full representation through the Program is limited to eviction.

(2) The pursuit of counterclaims shall be at the discretion of appointed counsel.

(d) Conflicts of interest.

(1) Vermont Legal Aid may subcontract to Legal Services Vermont if it is unable to provide tenant representation due to a conflict of interest as defined by the Vermont Rules of Professional Conduct.

(2) If Legal Services Vermont also has a conflict of interest, Vermont Legal Aid may subcontract to one or more private counsels who are members in good standing of the Vermont Bar.

(e) Report. Vermont Legal Aid shall provide interim reports on the progress of the Program on or before ~~November 15, 2023~~ November 30, 2025, and ~~November 15, 2024~~ November 30, 2026, and a final report on or before ~~July 30, 2025~~ July 31, 2027, which shall describe:

(1) the number of tenants represented;

(2) case outcomes, including:

(A) the number of cases fully or partially resolved through access to the Rent Arrears Assistance Fund;

(B) the number of cases fully or partially resolved through the Vermont Landlord's Association mediation program; and

(C) the number of cases fully or partially resolved through access to another resource identified through the Rental Housing Stabilization Services Program; and

(3) recommendations for policy changes and for pilot expansion.

(f) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year ~~2024~~ 2025 from the General Fund to the Agency of Human Services for a subgrant to Vermont Legal Aid to provide representation in eligible eviction cases ~~in the two pilot counties of Lamoille and Windsor~~ beginning on ~~July 1, 2023~~ November 1, 2024.

Sec. 40e. 2024 Acts and Resolves No. 181, Sec. 95. is amended to read:

Sec. 95. APPROPRIATION; TENANT REPRESENTATION PILOT PROGRAM

The sum of $1,025,000.00 is appropriated from the General Fund to the Agency of Human Services in fiscal year 2025 for a grant to Vermont Legal Aid for the Tenant Representation Pilot Program established by 2023 Acts and Resolves No. 47, Sec. 44. These funds shall carry forward each fiscal year until fully expended or reverted by an act of the General Assembly.

Sec. 40f. 9 V.S.A. § 4555 is amended to read:

§ 4555. INFORMATION; DISCLOSURE AND CONFIDENTIALITY

(a)(1) Except as provided in this subsection, the Human Rights Commission's complaint files and investigative files shall be confidential.

(2) The Commission shall make the investigative file available to the charging party, the respondent, their attorneys, and any State or federal law enforcement agency seeking to enforce ~~anti-discrimination~~ antidiscrimination statutes, upon reasonable request, except that the Commission may refuse to disclose:

(A) the identities of nonparty witnesses to the investigation if good cause is shown to protect the witness's confidentiality; or

(B) records or information the release of which may be prohibited under State or federal law absent court order.

(3) For any complaint initiated pursuant to subsection 4554(b) of this title, any resulting investigative report shall not be confidential after the Commission has issued a final determination and after the parties have been notified of the Commission's determination, except that the Commission shall not proactively disclose any report and shall not disclose:

(A) the identities of nonparty witnesses to the investigation if good cause is shown to protect the witness's confidentiality;

(B) information the release of which may be prohibited under State or federal law absent court order; and

(C) the identity of the parties and any information that would identify the parties if the Commission finds that there are no reasonable grounds to believe that discrimination occurred.

(4) A party or entity denied information or records under subdivision (2)(A) or (B) of this subsection may seek the information or records by subpoena. The Commission and any affected person may contest the subpoena in court.

~~(4)~~(5) Any records or information described in subdivision (2)(A) or (B) of this subsection made available to a party or entity pursuant to a confidentiality agreement or court order requiring confidentiality shall be kept confidential in accordance with the agreement or order, unless disclosure is otherwise authorized by law or court order.

(b) Nothing said or done as part of conciliation efforts under this chapter may be made a matter of public record or used as evidence in a subsequent civil action without written consent of the parties. Final settlement agreements shall be public documents and the parties shall be so informed.

(c) If the Commission determines that there are reasonable grounds to believe that discrimination has occurred, that determination and the names of the parties may be made public after the parties have been notified of the Commission's determination. If the Commission finds that there are no reasonable grounds to find discrimination, the identity of the parties and any information that would identify the parties shall remain confidential. The Commission shall inform the parties about the provisions of this subsection. In all cases, even if the records are confidential, the facts may be used for educational purposes if sufficiently altered so that no person involved in a case can be identified.

Sec. 40g. APPLICATION TO PENDING INVESTIGATIONS

Sec. 40f of this act shall apply to any pending investigations by the Human Rights Commission.

Sec. 40h. 15 V.S.A. § 1103 is amended to read:

§ 1103. REQUESTS FOR RELIEF

(a) Any family or household member may seek relief from abuse by another family or household member on behalf of themselves or their children by filing a complaint under this chapter. A minor 16 years of age or older, or a minor of any age who is in a dating relationship as defined in subdivision 1101(3) of this chapter, may file a complaint under this chapter seeking relief on the minor's own behalf. The plaintiff shall submit an affidavit in support of the order.

(b) Except as provided in section 1104 of this title, the court shall grant relief only after notice to the defendant and a hearing. The plaintiff shall have the burden of proving abuse by a preponderance of the evidence.

(c)(1) The court shall make such orders as it deems necessary to protect the plaintiff or the children, or both, if the court finds that the defendant has abused the plaintiff, and:

(A) there is a danger of further abuse; or

(B) the defendant is currently ~~incarcerated~~ under the supervision of the Department of Corrections and has been convicted of one of the following: murder, attempted murder, kidnapping, domestic assault, aggravated domestic assault, sexual assault, aggravated sexual assault, stalking, aggravated stalking, lewd or lascivious conduct with a child, use of a child in a sexual performance, or consenting to a sexual performance.

* * *

(Committee vote:5-0-0)

(For House amendments, see House Journal of March 24, 2026, pages 3522)

House Proposal of Amendment

S. 202.

An act relating to portable solar energy generation devices.

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

Sec. 1. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

As used in this chapter:

* * *

(9) "Plug-in photovoltaic device" means a photovoltaic generation device that:

(A) is designed to be connected to a building's electrical system via an electrical cord plugged into a receptacle;

(B) includes a feature that prevents the system from energizing the building's electrical system during a power outage;

(C) complies with UL 3700 for plug-in photovoltaic systems by UL Solutions or an equivalent certification by an equivalent Nationally Recognized Testing Laboratory for use in the United States and is installed and

operated in compliance with IEEE 1547-2018 and any successor standard, using default performance and setting profiles consistent with those developed by regional transmission and distribution system operators; and

(D) is connected to a building that is connected to the electric grid.

Sec. 2. 30 V.S.A. § 256 is added to read:

§ 256. PLUG-IN PHOTOVOLTAIC DEVICES

(a) A customer may install one or more plug-in photovoltaic devices per electric meter if the devices have a maximum combined inverter capacity of not more than 1,200 watts. Plug-in photovoltaic devices shall only be connected to systems using smart meters. A customer shall ensure a device is temporarily but securely attached to the ground or a structure.

(b) The installation of a plug-in photovoltaic device that complies with subsection (a) of this section shall not be required to comply with the requirements of section 248 of this chapter, shall not be required to obtain an interconnection agreement with an electric distribution company, and shall not otherwise be subject to the jurisdiction of the Public Utility Commission.

(c) An electric distribution company shall not require a customer using a plug-in photovoltaic device that complies with subsection (a) of this section to:

(1) obtain the company's approval before installing or using the device;

(2) pay any fee or charge related to the installation of the device; or

(3) install any additional controls or equipment beyond what is integrated into the device.

(d) Nothing in this section shall prevent an electric distribution company from recovering costs associated with the overloading of the service provided due to the presence of a plug-in photovoltaic device.

(e) A customer with a net metering system shall not also install a plug-in photovoltaic device. A plug-in photovoltaic device shall not be eligible for net metering. Generation exported to the grid by a plug-in photovoltaic device shall not be compensated by an electric distribution company.

(f) A plug-in photovoltaic device in a public building, as defined in 20 V.S.A. § 2730, shall be used in a manner that complies with all applicable requirements of the most recent Fire and Building Safety Code adopted by the Division of Fire Safety.

(g) No tenant shall install a plug-in photovoltaic device without the landlord's permission. A tenant shall provide at least 10 days' notice to the landlord of the tenant's intent to install a plug-in photovoltaic device in

compliance with subsection (a) of this section in the building. The landlord shall respond within 10 days with any reasonable restrictions on the installation of the device or may deny installation.

Sec. 3. 24 V.S.A. § 4413(g) is amended to read:

(g) Notwithstanding any provision of law to the contrary, a bylaw adopted under this chapter shall not:

(1) Regulate the installation, operation, and maintenance of a plug-in photovoltaic device or, on a flat roof of an otherwise complying structure, of a solar energy device that heats water or space or generates electricity. For the purpose of this subdivision, "flat roof" means a roof having a slope less than or equal to five degrees.

(2) Prohibit or have the effect of prohibiting the installation of solar collectors not exempted from regulation under subdivision (1) of this subsection, clotheslines, or other energy devices based on renewable resources.

Sec. 4. 27 V.S.A. § 544 is amended to read:

§ 544. ENERGY DEVICES BASED ON RENEWABLE RESOURCES

(a) No deed restrictions, covenants, or similar binding agreements running with the land shall prohibit or have the effect of prohibiting solar collectors, clotheslines, or other energy devices based on renewable resources from being installed on or, for a plug-in photovoltaic device as defined in 30 V.S.A. § 201, appurtenant to buildings erected on the lots or parcels covered by the deed restrictions, covenants, or binding agreements. A property owner may not be denied permission to install solar collectors or other energy devices based on renewable resources by any entity granted the power or right in any deed restriction, covenant, or similar binding agreement to approve, forbid, control, or direct alteration of property with respect to residential dwellings. For purposes of this subsection, that entity may determine the specific location where solar collectors may be installed on the roof within an orientation to the south or within 45° east or west of due south, provided that this determination does not impair the effective operation of the solar collectors.

* * *

(c) The legislative intent in enacting this section is to protect the public health, safety, and welfare by encouraging the development and use of renewable resources in order to conserve and protect the value of land, buildings, and resources by preventing measures that will have the ultimate effect, whether or not intended, of driving the costs of owning and operating commercial or residential property beyond the capacity of private owners to

maintain. This section shall not apply to patio railings in condominiums, cooperatives, or apartments, except for a plug-in photovoltaic device.

Sec. 5. 9 V.S.A. § 2795 is amended to read:

§ 2795. EFFICIENCY AND WATER CONSERVATION STANDARDS

(a) The Commissioner shall adopt rules in accordance with the provisions of 3 V.S.A. chapter 25 establishing minimum efficiency standards for the types of new products set forth in section 2794 of this title. The rules shall provide for the following minimum efficiency standards for products sold or installed in this State:

* * *

(6) In the rules, the Commissioner shall adopt minimum efficiency and water conservation standards for each product that is subject to a standard under 10 C.F.R. §§ 430 and 431 as those provisions existed on January 19, ~~2017~~ 2025. The minimum standard and the testing protocol for each product shall be the same as adopted in those sections of the Code of Federal Regulations, except that for faucets, showerheads, and urinals, the minimum standard and testing protocol shall be as otherwise set forth in this section.

* * *

Sec. 6. 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 plug-in photovoltaic devices"

S. 223.

An act relating to water quality of the waters of Vermont.

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

Sec. 1. WATER QUALITY, LAKE CLASSIFICATION, AND ANTIDEGRADATION STUDY GROUP; REPORT

(a) Creation. There is created the Water Quality, Lake Classification, and Antidegradation Study Group, which shall conduct the evaluations set forth in subsection (c) of this section, including the review of existing classified waters of the State and candidate waters with water quality data supporting reclassification, assessment of antidegradation requirements, examination of the regulatory framework for Class A waters, and examination of the adequacy of the current water classification system for lakes and ponds. Based on these

evaluations, the Study Group shall recommend to the General Assembly legislative or policy changes to strengthen environmental protection, provide regulatory certainty, and support public uses of State waters.

(b) Membership. The Study Group shall be composed of the following members:

(1) two current members of the House of Representatives, not all from the same political party, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, not all from the same political party, who shall be appointed by the Committee on Committees;

(3) the Secretary of Natural Resources or designee;

(4) a Department of Environmental Conservation water quality scientist or technical staff member, appointed by the Secretary of Natural Resources;

(5) two persons representing businesses, industries, or development that interact with water quality permitting, including the State antidegradation policy, use of high quality waters, and water classification, one of whom shall be appointed by the Speaker of the House and one of whom shall be appointed by the Committee on Committees;

(6) two persons representing nonprofit environmental advocacy groups, one of whom shall be appointed by the Speaker of the House and one of whom shall be appointed by the Committee on Committees;

(7) one person representing the Federation of Vermont Lakes and Ponds, appointed by the Governor;

(8) one person representing the Green Mountain Water Environment Association, appointed by the Speaker of the House;

(9) one person representing the Memphremagog Watershed Association, appointed by the Speaker of the House; and

(10) one person representing the Lake Champlain Citizen's Advisory Committee, appointed by the Committee on Committees.

(c) Powers and duties. The Study Group shall:

(1) Develop an inventory of the waters of the State, with the existing classification designations, as set forth in the Vermont Water Quality Standards, including candidate high quality waters with water quality data that meets or exceeds the minimum criteria supporting reclassification for such waters.

(2) Assess the State's obligations under the federal Clean Water Act, 33 U.S.C. §§ 1251–1388, as enacted as of January 1, 2026, with respect to the adoption of an antidegradation rule to implement the State's antidegradation policy under the Vermont Water Quality Standards, including an evaluation of State and federal statutory and regulatory requirements and the identification of any legal, administrative, policy, or practical barriers to full compliance.

(3) Identify and evaluate the statutory and regulatory frameworks, rules, policies, and procedures governing Class A waters, including whether modifications are needed to facilitate the reclassification of eligible waters, adequately protect and support designated and existing uses, and provide regulatory certainty for activities in Class A waters.

(4) Evaluate whether the existing water classification system in the State and related statutory and regulatory frameworks protect the ecological integrity of the State's lakes and ponds, adequately address current and potential threats to the water quality of the State's lakes and ponds, and provide regulatory certainty.

(5) Recommend legislative amendments and identify any rules, policies, or procedures that may require revision to implement the Study Group's recommendations.

(d) Assistance. The Study Group shall have the administrative, technical, and legal assistance of the Agency of Natural Resources and shall have the legal and drafting assistance of the Office of Legislative Counsel.

(e) Report. On or before December 15, 2026, the Study Group shall submit a written report to the General Assembly that shall include its findings and recommendations under subsection (c) of this section.

(f) Meetings.

(1) The Secretary of Natural Resources shall call the first meeting of the Study Group to occur on or before August 1, 2026.

(2) The Study Group shall select at its first meeting a chair from among the four legislators serving as members.

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

(4) The Study Group shall cease to exist on February 15, 2027.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Study Group 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 eight meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Study Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 2. [Deleted.]

Sec. 3. AGENCY OF NATURAL RESOURCES REPORT ON ESTABLISHING A CERTIFICATION PROGRAM FOR WETLANDS PROFESSIONALS

(a)(1) On or before January 15, 2027, the Secretary of Natural Resources shall submit to the House Committee on Environment and the Senate Committee on Natural Resources and Energy a report recommending whether to establish a program to certify wetlands professionals in the State for the purposes of identifying and delineating wetlands boundaries. The report shall:

(A) describe the benefits and disadvantages of a wetlands professional certification program, including whether it could accelerate wetlands permitting, reduce the amount of wetlands services available, increase the cost of wetlands services, or delay the permitting process; and

(B) discuss how a wetlands professional certification program could impact the liability of wetlands professionals, including whether certification requirements would subject wetlands professionals to increased risk of liability or increased liability insurance requirements.

(2) If the Secretary of Natural Resources recommends the establishment of a program to certify wetlands professionals in the State, the report shall include:

(A) a description of the proposed certification program;

(B) the proposed requirements for certification;

(C) a description of the activities that a wetlands professional would be authorized to conduct as part of or exclusively under a certification; and

(D) what benefit, if any, services from a certified wetlands professional would provide to customers or in regulatory proceedings.

(b) In developing the report required under subsection (a) of this section, the Secretary of Natural Resources shall consult with wetlands professionals who currently conduct wetlands delineations and other persons with

knowledge of wetlands permitting and services provided by wetlands professionals.

Sec. 4. EFFECTIVE DATE

This act shall take effect on passage.

House Proposal of Amendment to Senate Proposal of Amendment

H. 778

An act relating to dam safety.

The House concurs in the Senate proposal of amendment with further proposal of amendment thereto in Sec. 2, State of Vermont Emergency Operations Planning Pilot Project; report, in subdivision (b)(1), in the first sentence, after "the Whole Community that would be" and before "if the dam were to fail" by striking out "inundated" and inserting in lieu thereof "affected"

CONCURRENT RESOLUTIONS FOR ACTION

Concurrent Resolutions For Action Under Joint Rule 16

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

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

H.C.R. 284-293 (For text of Resolutions, see Addendum to House Calendar for May 7, 2026)

CONFIRMATIONS

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

Dani Delaini of Brattleboro, VT – Public Member of the State Infrastructure Bank Board – By Senator Hardy for the Committee on Finance (April 28, 2026)

JFO NOTICE

Grants and Positions that have been submitted to the Joint Fiscal Committee by the Administration, under 32 V.S.A. §5(b)(3):

JFO #3277: $36,000.00 to the Vermont Legislature, Sergeant at Arms office from the National Conference of State Legislatures. The grant will extend up to $500.00 to each member of the General Assembly to secure their homes. Funds would be available once as a reimbursement during the lawmaker's service for expenses incurred after June 1, 2026.
[Received April 14, 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).