

Senate Calendar

WEDNESDAY, MAY 27, 2026

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ACTION CALENDAR

NEW BUSINESS

Third Reading

H. 542.

An act relating to terminating testing of schools in Vermont for polychlorinated biphenyls.

H. 710.

An act relating to defining electricity generating facilities.

Second Reading

Favorable

H. 294.

An act relating to telecommunications services and wages in correctional facilities.

Reported favorably by Senator Major for the Committee on Institutions.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 19, 2026, pages 3395-3398, and March 20, 2026, page 3448)

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)

Reported favorably by Senator Perchlik for the Committee on Appropriations.

The Committee respectfully reports that it has considered the same and recommend that the bill ought to pass in concurrence, without proposal of amendment as offered by the Committee on Finance.

(Committee vote: 7-0-0)

H. 772.

An act relating to residential rental agreements, eviction procedures, and the creation of the positive rental payment credit reporting pilot program.

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:

* * * Residential Rental Agreements * * *

Sec. 1. 9 V.S.A. chapter 137 is amended to read:

CHAPTER 137. RESIDENTIAL RENTAL AGREEMENTS

Subchapter 1. General

§ 4451. DEFINITIONS

As used in this chapter:

* * *

(11) “Domestic abuse” has the same meaning as abuse in 15 V.S.A. § 1101(1).

(12) “Protected tenant” has the same meaning as in section 4471 of this title.

(13) “Sexual assault” has the same meaning as in 12 V.S.A. § 5131(5).

(14) “Stalking” has the same meaning as in 12 V.S.A. § 5131(6).

* * *

Subchapter 2. Residential Rental Agreements

§ 4455. TENANT OBLIGATIONS; PAYMENT OF RENT; RENT INCREASES

(a) Rent is payable without demand or notice at the time and place agreed upon by the parties.

(b) An increase in rent shall take effect on the first day of the rental period following no less than 60 days’ actual notice to the tenant.

(c) A landlord shall not increase rent more than once in any 12-month period. This subsection shall not prohibit a landlord from increasing rent after the purchase of a dwelling unit subject to the requirements of this section.

* * *

§ 4456a. RESIDENTIAL RENTAL APPLICATION

(a)(1) A landlord or a landlord's agent shall not charge an application fee to any individual in order to apply to enter into a rental agreement for a residential dwelling unit. This subsection shall not be construed to prohibit a person from charging a fee to a person in order to apply to rent commercial or nonresidential property.

(2) As used in this section, an "application fee" means any fee, charge, or cost to submit a residential rental application including any third-party processing payment.

(3) A landlord or a landlord's agent may charge actual costs to conduct a background or credit check of an applicant, unless the tenant or applicant provides a current credit report as part of the application, in which case the landlord or landlord's agent shall not charge for a credit check. For purposes of this subdivision, a "current credit report" means a report dated within 90 days prior to the date of the residential rental application.

(4) If charging for a background or credit check on an applicant, the landlord or the landlord's agent shall provide a copy of the results of the background or credit check to the applicant.

* * *

(c) A person who violates this section commits an unfair practice in commerce in violation of section 2453 of this title.

* * *

§ 4461. SECURITY DEPOSITS

(a)(1) A security deposit is any advance, deposit, or prepaid rent, however named, which is refundable to the tenant at the termination or expiration of the tenancy. The function of a security deposit is to secure the performance of a tenant's obligations to pay rent and to maintain a dwelling unit.

(2) A landlord shall not charge for or receive a security deposit exceeding an amount equal to two months' rent, in addition to any rent for the first month paid on or before initial occupancy.

(3) Subject to the requirements of this section, a landlord may charge a separate security deposit in addition to the amount authorized in subdivision (2) of this subsection as a condition for allowing the tenant to have a pet or pets during the rental period. A landlord shall not charge any amount under this subdivision for any animal that mitigates a disability.

* * *

(c) A landlord shall return the security deposit along with a written statement itemizing any deductions to a tenant within 14 days ~~from~~ after the date on which the landlord discovers that the tenant vacated or abandoned the dwelling unit or the date the tenant vacated the dwelling unit, provided the landlord received notice from the tenant of that date. In the case of the seasonal occupancy and rental of a dwelling unit not intended as a primary residence, the security deposit and written statement shall be returned within 60 days.

* * *

(g)(1) A town or municipality may adopt an ordinance governing security deposits on dwellings. The ordinance shall be supplemental to and not inconsistent with the minimum protections of the provisions of this section.

(2) The ordinance ~~may~~ shall not limit how a security deposit is held.

(3) The ordinance may:

(A) Limit the amount a landlord may charge for a security deposit to an amount less than two month's rent as provided in subdivision (a)(2) of this section.

(B) ~~authorize~~ Authorize the payment of interest on a security deposit.

(C) ~~The ordinance may provide~~ Provide that a housing board of review constituted pursuant to 24 V.S.A. § 5005 may hear and decide disputes related to security deposits upon request for a hearing by a landlord or tenant. The board's actions shall be reviewable under 24 V.S.A. § 5006.

* * *

§ 4465. RETALIATORY CONDUCT PROHIBITED

(a) A landlord of a residential dwelling unit may not retaliate by establishing or changing terms of a rental agreement or by bringing or threatening to bring an action against a tenant who:

(1) has complained to a governmental agency charged with responsibility for enforcement of a building, housing, or health regulation of a violation applicable to the premises materially affecting health and safety;

(2) has complained to the landlord of a violation of this chapter; ~~or~~

(3) has organized or become a member of a tenant's union or similar organization;

(4) has taken any legal action authorized by law against the landlord; or

(5) has contacted law enforcement to respond to an instance of domestic abuse.

(b) If the landlord acts in violation of this section, the tenant is entitled to recover damages and reasonable attorney's fees and has a defense in any retaliatory action for possession.

(c) If a landlord serves notice of termination of tenancy on any grounds other than for nonpayment of rent within 90 days after notice by any municipal or State governmental entity that the premises are not in compliance with applicable health or safety regulations, there is a rebuttable presumption that any termination by the landlord is in retaliation for the tenant having reported the noncompliance.

* * *

§ 4467. TERMINATION OF TENANCY; NOTICE

* * *

(b) Termination for breach of rental agreement.

* * *

(3) A landlord shall not terminate a rental agreement under this subsection based on a person seeking medical assistance for a drug overdose, being the subject of a good faith request for medical assistance, or being at the scene of a drug overdose or within close proximity of the scene of a drug overdose as provided in 18 V.S.A. § 4254 and evidence obtained from the good faith request for medical assistance for a drug overdose shall not be used in an ejectment action brought under 12 V.S.A. chapter 169.

(4)(A) A landlord shall not terminate a rental agreement of a protected tenant under this subsection (b) because of an incident or pattern of domestic abuse, sexual assault, or stalking.

(B) A protected tenant may request to bifurcate the rental agreement as authorized in section 4472a of this title.

* * *

Sec. 1a. 9 V.S.A. § 4472a is added to read:

§ 4472a. RIGHT TO BIFURCATION OF A RENTAL AGREEMENT

(a)(1) Notwithstanding a contrary provision of a rental agreement or of subchapter 2 of this chapter, a landlord may approve a protected tenant's written request to bifurcate a rental agreement in order to eject, remove, or

terminate a rental agreement with any individual who is a tenant or lawful occupant of the dwelling unit that engages in abuse, sexual assault, or stalking, against the protected tenant without ejecting, removing, or terminating the rental agreement with the protected tenant.

(2) If the protected tenant includes with a written request to bifurcate the rental agreement a copy of a court order that requires the perpetrator to leave the premises, a landlord shall bifurcate a rental agreement in order to eject, remove, or terminate a rental agreement to any individual who is a tenant or lawful occupant of the dwelling unit that engages in abuse, sexual assault, or stalking against the protected tenant without ejecting, removing, or terminating the rental agreement with the protected tenant.

(3) Nothing in this subsection shall be construed to require that a protected tenant submit documentation of the status of the protected tenant as a victim of domestic violence, sexual assault, or stalking in order to request to bifurcate a rental agreement under this section.

(b)(1) In the event the bifurcation and removal of an individual under subsection (a) of this section results in the protected tenant being unable to cover the rent of the dwelling unit, the landlord shall provide the protected tenant with a reasonable opportunity to locate additional tenants or to otherwise find new housing.

(2) A reasonable opportunity under this section shall be not less than 90 days.

* * * Ejectment * * *

Sec. 2. [Deleted.]

Sec. 3. 12 V.S.A. chapter 169 is amended to read:

CHAPTER 169. EJECTMENT

* * *

Subchapter 3. Superior Court Ejectment

* * *

§ 4853a. PAYMENT OF RENT INTO COURT; EXPEDITED HEARING

~~[Subsection (a) as amended by 2007, Act No. 125 (Adj. Sess.), § 1.]~~

~~(a) In any action against a tenant for possession, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been~~

~~filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.~~

~~[Subsection (a) as amended by 2007, Act No. 176 (Adj. Sess.), § 51.]~~

(a) In any action against a tenant for possession brought in accordance with this chapter, 9 V.S.A. chapter 137, 10 V.S.A. chapter 153, or 11 V.S.A. chapter 14, the landlord may file a motion for an order that the tenant pay rent into court. The motion may be filed and served with the complaint or at any time after the complaint has been filed. The motion shall be accompanied by affidavit setting forth particular facts in support of the motion.

* * *

§ 4854a. PROPERTY OF TENANT REMAINING ON PREMISES AFTER EVICTION

(a) A landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property:

(1) ~~15 days after a writ of possession is served pursuant to this chapter~~ or immediately upon the landlord being legally restored to possession of the dwelling unit or leased premises pursuant to this chapter, ~~whichever is later~~; or

(2) in the case of an eviction brought pursuant to 10 V.S.A. chapter 153, 40 days after a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title is served or upon the landlord being legally restored to possession of the leased premises by a writ of possession issued for failure to pay rent into court pursuant to subsection 4853a(h) of this title, whichever is later.

(b) Notwithstanding subsection (a) of this section, if the court stays the execution of a writ of possession issued pursuant to this chapter, then a landlord may dispose of any personal property remaining in a dwelling unit or leased premises without notice or liability to the tenant or owner of the personal property ~~one day~~ immediately after the landlord is legally restored to possession of the dwelling unit or leased premises.

* * *

* * * Trespass * * *

Sec. 4. PURPOSE

The purpose of Sec. 5 of this act is to override the Vermont Supreme Court's decision in State v. Dixon, 169 Vt. 15 (1999), and allow the landlord of a dwelling unit to obtain a no trespass order prohibiting the tenant's invitees

or licensees from entering the dwelling unit's common areas if the invitee or licensee subject to the order has violated the terms of the lease agreement.

Sec. 5. 13 V.S.A. § 3705 is amended to read:

§ 3705. UNLAWFUL TRESPASS

(a)(1) A person shall be imprisoned for not more than three months or fined not more than \$500.00, or both, if, without legal authority or the consent of the person in lawful possession, the person enters or remains on any land or in any place as to which notice against trespass is given by:

* * *

(g)(1) Notwithstanding subsection (a) of this section or any provision of law to the contrary, a landlord of a dwelling unit may cause to be served an order against trespass that prohibits a tenant's invitees or licensees from trespassing in the dwelling unit or any of the dwelling unit's common areas if:

(A) the tenant responsible for the invitee or licensee consents to the order;

(B) the invitee or licensee subject to the order has violated the terms of the dwelling unit's lease agreement;

(C) the invitee or licensee has violated a State or federal law while on the premises of the dwelling unit; or

(D) the invitee or licensee has previously been ejected from a dwelling unit on the premises under 12 V.S.A. chapter 169 due to a termination of a rental agreement under 9 V.S.A. § 4467(b).

(2) Consent required under subdivision (1)(A) of this subsection shall be provided on an individualized basis. It shall be against the public policy of this State for a tenant to provide blanket consent under subdivision (1)(A) for all invitees or licensees, and any provision of a rental agreement that provides blanket consent from a tenant shall be void and unenforceable.

(3) An order against trespass served under this subsection shall be enforceable for one year from the date of the order being served. The order may be renewed for subsequent one-year periods if the landlord causes to be served a new order.

(4) As used in this subsection:

(A) "Dwelling unit" means a building or the part of a building that is used as a home, residence, or sleeping place by one or more persons who maintain a household.

(B) “Premises” means a dwelling unit; its appurtenances and the building; and the grounds, areas, and facilities held out for the use of tenants generally or whose use is promised to the tenant.

(C) “Tenant” means a person entitled under a rental agreement to occupy a residential dwelling unit to the exclusion of others.

Sec. 6. [Deleted.]

* * * Positive Rental Payment Pilot Program * * *

Sec. 7. POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT

(a) Definitions. As used in this section:

(1) “Contractor” means the third-party vendor that the State Treasurer’s Office contracts with to administer the pilot program described in this section.

(2) “Dwelling unit” has the same meaning as in 9 V.S.A. § 4451(3).

(3) “Participant property owner” means a landlord that has agreed in writing to participate in the pilot program and has satisfied the requirements described in subsection (c) of this section.

(4) “Participant tenant” means a tenant who has elected to participate in the pilot program and whose landlord is a participant property owner.

(5) “Rental payment information” means information concerning a participant tenant’s timely payment of rent. “Rent payment information” does not include information concerning a participant tenant’s payment or nonpayment of fees.

(b) Pilot program creation.

(1) The State Treasurer shall create and implement a two-year positive rental payment credit reporting pilot program to facilitate the reporting of rent payment information from participant tenants to consumer reporting agencies.

(2) On or before May 1, 2027, the State Treasurer shall contract with a third party to administer a positive rental payment credit reporting pilot program and facilitate the transmission of rent reporting information from a participant property owner to a consumer reporting agency. The third-party administrator shall be required to:

(A) enter into an agreement with one or more participant property owners in the State in accordance with the requirements of this section for participation in the pilot program;

(B) ensure that information to a credit reporting agency includes only rent payment information after the date on which the participant tenant elected to participate in the pilot program;

(C) develop and implement a process for removal of participant tenants for failure to comply with program requirements, including failure to make timely rental payments;

(D) establish a standard form for a participant tenant to use to elect to participate or cease participation in the pilot program, which shall include a statement that the tenant's participation is voluntary and that a participant may cease participating in the pilot program at any time and for any reason by providing notice to the participant's landlord and that the tenant may be removed from the program for failure to comply with program requirements, including failure to make timely rental payments; and

(E) offer an optional financial education course for participant tenants.

(c) Pilot program agreements. A participant property owner shall agree in writing:

(1) to participate in the pilot program for the duration of the pilot program;

(2) not to charge a participant tenant for participation in the pilot program;

(3) to comply with the requirements of the pilot program;

(4) to provide information as required by the State Treasurer concerning the implementation of the pilot program; and

(5) to assist in the recruitment of tenants to participate in the pilot program.

(d) Pilot program participants. On or before June 1, 2027, the contractor shall, in coordination with the State Treasurer, recruit not more than 10 participant property owners and, to the extent practicable, not fewer than 100 participant tenants to participate in the pilot program. The contractor shall seek to select participant tenants from populations that are underserved and underrepresented in home ownership. The contractor shall also seek to recruit participant landlords who offer:

(1) a variety of types of dwelling units for rent, including dwelling units of various sizes;

(2) dwelling units for rent that are located in geographically diverse areas of the State; and

(3) at least five dwelling units for rent.

(e) Termination. The State Treasurer may terminate the pilot program at any time in the Treasurer's sole discretion or terminate participation of a participant property owner for failure to comply with the requirements of the pilot program.

(f) Reports.

(1) On or before November 1, 2028, the State Treasurer shall submit an interim report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the findings of the pilot program. The report shall include:

(A) the number of participant tenants, including information regarding the demographic makeup of participant tenants, such as race, ethnicity, gender, income, and age, as voluntarily provided by the participant;

(B) the number of participant tenants who ceased participating in the pilot program voluntarily;

(C) the number of participant tenants who were removed from the pilot program and the reasons why;

(D) a breakdown of costs of administering the pilot program, including the monthly costs associated with rent reporting;

(E) a description of challenges faced by the participant property owners and participant tenants during the pilot program;

(F) an analysis of the outcomes of rent reporting on participant tenants' credit scores; and

(G) recommendations for legislative action, including proposed statutory language and an appropriation for associated costs.

(2) On or before November 1, 2029, the State Treasurer shall submit a final report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the findings of the pilot program. The report shall include an update to the information required in the interim report.

(g) Appropriation contingency. The duty to implement this section is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund for the specific purposes described in this section.

* * * Residential Security Deposit Transition Period * * *

Sec. 8. SECURITY DEPOSIT; TRANSITION PERIOD

Notwithstanding 9 V.S.A. § 4461(a), a landlord may maintain a security deposit that exceeds an amount equal to two months' rent, provided that the residential rental agreement was in effect prior to July 1, 2026. Upon the termination of the rental agreement, the landlord shall return the security deposit in compliance with the requirements of 9 V.S.A. § 4461.

* * * Technical Training * * *

Sec. 9. LANDLORD AND TENANT EDUCATION AND TECHNICAL ASSISTANCE PROGRAM

(a) The Champlain Valley Office of Economic Opportunity (CVOEO) shall provide education and technical assistance to Vermont landlords and tenants regarding their rights, obligations, and remedies for statutory violations under Vermont rental statutes.

(b)(1) Training for tenants shall include training under the Preferred Renter Certification Program or its future equivalent.

(2) For landlords, CVOEO shall develop a curriculum to address any resource and information gaps to increase positive interactions with tenants and improve renter household stability.

(c) Assistance under this program shall include in-person, virtual, and on-demand options.

(d) The duty to implement this section is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund for the specific purposes described in this section.

Sec. 10. [Deleted.]

* * * Statewide Housing Court Report * * *

Sec. 11. HOUSING COURT STUDY; REPORT

(a) On or before January 31, 2027, the Court administrator shall submit to the General Assembly a report on the feasibility of implementing a dedicated docket in Vermont for handling all matters governing residential rental agreements under 9 V.S.A. chapter 137 and ejectment actions under 12 V.S.A. chapter 169. The report shall include an examination of:

(1) the financial costs of implementing a dedicated housing docket in Vermont;

(2) the workforce impact of a dedicated housing docket, including:

(A) the number of judges and staff necessary to:

(i) resolve all ejectment actions statewide within 90 days following the filing of the complaint;

(ii) meet the timelines outlined in 12 V.S.A. chapter 169 for expedited hearings; and

(iii) resolve ejectment actions brought due to the termination of a residential rental agreement under 9 V.S.A. § 4467(b)(2) within 21 days from the date of filing of the complaint; and

(B) the impact on other court staff with the implementation of a dedicated housing docket;

(3) whether current State facilities have the capacity to support a dedicated housing docket statewide and whether new or expanded facilities would be required or whether current technical capacities within the Judiciary can handle the virtual statewide implementation of a centralized housing docket; and

(4) any other matter deemed relevant to the issue of implementing a statewide housing docket.

(b) The report shall include information on the legal issues to consider in requiring an expedited hearing for ejectment actions brought due to a termination of a residential rental agreement under 9 V.S.A. § 4467(b)(2), including:

(1) how the court could determine that a tenant is an ongoing threat to the health and safety of others if that were to be a condition upon which an expedited ejectment hearing would be allowed;

(2) whether there are procedural issues with beginning the 21-day timeline for an expedited ejectment hearing with the filing of the complaint versus the service of the answer;

(3) how the court would determine that damage to the dwelling unit is a threat to the health and safety of others; and

(4) whether there are procedural issues with shortening the timeframes for the termination of a residential rental agreement.

(c) In developing the report, the Court administrator shall work to balance the needs of interested parties in making its recommendations, including a balancing of the rights of tenants, the landlord's property interests, and the safety of other tenants and their neighbors.

* * * Effective Date * * *

Sec. 12. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 25, 2026, pages 3521-3561, and March 27, 2026, pages 3678-3688)

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

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

First: By striking out Sec. 1, 9 V.S.A. chapter 137, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. [Deleted.]

Second: By striking out Sec. 1a, 9 V.S.A. § 4472a, in its entirety and inserting in lieu thereof a new Sec. 1a to read as follows:

Sec. 1a. [Deleted.]

Third: By striking out Sec. 3, 12 V.S.A. chapter 169, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. [Deleted.]

Fourth: In Sec. 5, 13 V.S.A. § 3705, by striking out subdivision (g)(1)(B) in its entirety and inserting in lieu thereof a new subdivision (g)(1)(B) to read as follows:

(B) the invitee or licensee subject to the order has engaged in a pattern of violating the terms of the dwelling unit's lease agreement;

Fifth: In Sec. 5, 13 V.S.A. § 3705, in subdivision (g)(1)(D), by inserting “(2)” after “4467(b)”

Sixth: In Sec. 5, 13 V.S.A. § 3705, by inserting a new subdivision to be subdivision (g)(4)(B) to read as follows and by relettering the remaining subdivisions to be alphabetically correct:

(B) “Pattern of violating” means two or more acts over a period of time, however short, in which a person violates the terms of the lease agreement.

Seventh: By striking out Secs. 7, positive rental payment credit reporting pilot; 8, security deposit; transition period; and 9, landlord and tenant education and technical assistance program, in their entireties and inserting in lieu thereof new Secs. 7, 8, and 9 to read as follows:

Sec. 7. [Deleted.]

Sec. 8. [Deleted.]

Sec. 9. [Deleted.]

Eighth: By striking out Sec. 11, housing court study; report, in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. HOUSING COURT STUDY; REPORT

(a) On or before January 31, 2027, the Court Administrator shall submit to the General Assembly a report on the feasibility of implementing a dedicated docket in Vermont for handling all matters governing residential rental agreements under 9 V.S.A. chapter 137 and ejection actions under 12 V.S.A. chapter 169. The report shall include an examination of:

(1) the financial costs of implementing a dedicated residential rental docket in Vermont;

(2) the workforce impact of a dedicated residential rental docket, including:

(A) the number of judges and staff necessary to:

(i) resolve all ejection actions statewide within 90 days following the filing of the complaint;

(ii) meet the timelines outlined in 12 V.S.A. chapter 169 for expedited hearings; and

(iii) resolve ejection actions brought due to the termination of a residential rental agreement under 9 V.S.A. § 4467(b)(2) within 21 days after the date of filing of the complaint; and

(B) the impact on other court staff with the implementation of a dedicated residential rental docket;

(3) whether current State facilities have the capacity to support a dedicated residential rental docket statewide and whether new or expanded facilities would be required or whether current technical capacities within the Judiciary can handle the virtual statewide implementation of a centralized residential rental docket;

(4) procedural impacts for the timeline suggested in subdivision (2) of this subsection, including information about the impacts of beginning the 21-day timeline for an expedited ejectment hearing with the filing of the complaint versus the service of the answer;

(5) whether to include other legal matters beyond residential rental agreements within the dedicated docket; and

(6) any other matter deemed relevant to the issue of implementing a statewide residential rental docket.

(b) In developing the report, the Court Administrator shall consult with interested parties, including landlords, tenants, Vermont Legal Aid, and others deemed necessary by the Court Administrator.

and that after passage the title of the bill be amended to read: “An act relating to residential rental agreements, ejectments, and unlawful trespass”

(Committee vote: 3-2-0)

Reported favorably by Senator Norris for the Committee on Appropriations.

The Committee recommends that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committees on Judiciary and Economic Development, Housing and General Affairs.

(Committee vote: 7-0-0)

H. 935.

An act relating to emergency management.

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:

* * * Ready Response Grant Program * * *

Sec. 1. 20 V.S.A. § 52 is added to read:

§ 52. READY RESPONSE GRANT PROGRAM

(a) As used in this section, “ready response” means the provision of short-term food and bottled water resources, including logistical support and transportation, to individuals in Vermont who do not have adequate access to food and water at agreed upon times when the Division of Emergency

Management seeks resource assistance from a grantee or responds to an all-hazards event or state of emergency.

(b) There is created the Ready Response Grant Program to be managed and administered by the Division of Emergency Management. The Division shall award an annual grant to an eligible food bank to source, store, and distribute shelf-stable, ready-to-eat foods and bottled water at times and in types and quantities per a written memorandum of agreement with the Division.

(c) The grant shall be in an amount sufficient to compensate the grantee for all costs incurred to procure and stage food and water in agreed upon quantities and locations, the costs of cycling the food and water at agreed-upon intervals, the value of distribution center storage capacity, the value of operational capacity to stage materials in anticipation of need, and the costs of distribution whenever the Division seeks resource assistance from the grantee or responds to an all-hazards event or state of emergency. As used in this subsection, the “value of operational capacity” includes leased storage space, delivery vehicles, drivers, warehouse selectors, and other operational costs.

(d) Food and water supplies subject to a grant and under the grantee’s control shall be rotated and replenished according to established industry guidelines and best practices. Rotated food and water shall be redistributed in an equitable manner by the grantee through Vermont’s charitable food system to Vermont nonprofit organizations qualifying under 26 U.S.C. § 501(c)(3) that provide food to individuals in Vermont.

(e) To the extent that the Division requests services from the grantee that are not covered by the Grant Program, a separate agreement shall be reached between the Division and the grantee.

* * * Technical Rescue Grant Program * * *

Sec. 2. 20 V.S.A. § 53 is added to read:

§ 53. TECHNICAL RESCUE GRANT PROGRAM

(a) Creation of Program. There is created the Technical Rescue Grant Program to assist Vermont fire departments, emergency medical services agencies, and technical rescue agencies with the improvement of operational readiness and investment in specialized equipment, personal protective gear, and training. The Program shall be administered by the Urban Search and Rescue (USAR) Team program manager.

(b) Duties of USAR Team program manager. The USAR Team program manager, in addition to other duties described elsewhere in law, shall review grant applications, award grants, and otherwise administer the Program.

(c) Eligibility. Fire departments, emergency medical services agencies, and technical rescue agencies operating within Vermont shall be eligible for Program grants. Grant applicants shall demonstrate their use, planned use, or need for technical rescue operations within their service area. All grant applicants shall submit their application on a form adopted by the USAR Team program manager. The USAR Team program manager shall prioritize grant awards for applicants that:

(1) maintain a memorandum of understanding with the Division of Emergency Management for swiftwater rescue; or

(2) function as regional technical rescue teams providing services in multiple jurisdictions.

(d) Grant award limitations. The maximum award to any applicant in a given fiscal year shall be not more than \$5,000.00. The Program shall not award more than \$25,000.00 in total grants in a given fiscal year.

(e) Application review and scoring. The USAR Team program manager shall adopt procedures governing application submission, forms, review, scoring, and recommendation of awards. The procedures for application scoring shall include alignment with the Program priorities in subsection (a) of this section, operational need, geographic service area, feasibility of the proposed project, cost-effectiveness, and sustainability of the applicant's services.

(f) Grant recipient reporting; report. Each grant recipient shall submit to the USAR Team program manager a final expenditure report, proof of purchase or training completion, and a narrative description of how the grant improved the recipient's technical rescue capacity. Annually on or before November 15, the USAR Team program manager shall submit a written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations summarizing grant awards, outcomes, and Program recommendations.

(g) Rulemaking. The USAR Team program manager may adopt rules pursuant to 3 V.S.A. chapter 25 as needed to implement this section.

Sec. 2a. 20 V.S.A. § 50 is amended to read:

§ 50. URBAN SEARCH AND RESCUE TEAM

* * *

(b) The USAR Team program manager shall perform all the following duties:

* * *

(5) negotiate and enter into agreements with municipalities, municipal agencies that maintain swiftwater rescue teams, State-recognized swiftwater rescue teams, or other technical rescue teams to provide expert assistance and services to the USAR Team when necessary; ~~and~~

(6) coordinate USAR Team participation in search and rescue operations under chapter 112 of this title; and

(7) administer the Technical Rescue Grant Program pursuant to section 53 of this title.

* * *

* * * Disability Inclusion in Emergency Planning * * *

Sec. 3. 20 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this chapter:

* * *

(13) “Whole community” means the collective of residents; emergency management practitioners; organizational and community leaders; and local, State, and federal government officials.

Sec. 4. 20 V.S.A. § 6 is amended to read:

§ 6. LOCAL AND REGIONAL ORGANIZATION FOR EMERGENCY MANAGEMENT

* * *

(c)(1) Each local organization shall develop and maintain an all-hazards emergency management plan in accordance with the State Emergency Management Plan and guidance set forth by the Division of Emergency Management.

* * *

(3) The Division shall advise municipalities that when a shelter is sited under a local emergency plan, the municipality should work with the ~~Agency of Human Services, the American Red Cross, and community-based emergency or charitable food providers~~ whole community, to assess the facility and the facility’s potential operations, including the characteristics of the surrounding area during an all-hazards event, multiple routes of travel and possible hazards that could prevent access to the shelter, and the need for immediate and sustained access to food and water for individuals using the shelter.

(4) The Division, in coordination with the ~~Agency of Human Services~~ whole community, shall advise municipalities, upon completion of a local emergency management plan, on how to conduct training and exercises pertaining to sheltering.

* * *

Sec. 5. 20 V.S.A. § 32 is amended to read:

§ 32. LOCAL EMERGENCY PLANNING COMMITTEES; CREATION;
DUTIES

* * *

(b) All local emergency planning committees shall include representatives from the following: fire departments; local and regional emergency medical services; local, county, and State law enforcement; other entities providing first responders or emergency management personnel; organizations serving vulnerable populations; media; transportation; regional planning commissions; hospitals; industry; the Vermont National Guard; the Department of Health's district office; and an animal rescue organization, and may include any other interested public or private individual or organization. Where the local emergency planning committee represents more than one region of the State, the Commission shall appoint representatives that are geographically diverse.

(c) A local emergency planning committee shall perform all the following duties:

(1) Carry out all the requirements of a committee pursuant to EPCRA, including preparing a local emergency planning committee plan. The plan shall be coordinated with the State ~~emergency management plan~~ Emergency Management Plan and may be expanded to address all-hazards identified in the State ~~emergency management plan~~ Emergency Management Plan. A local emergency planning committee shall coordinate with disability-led organizations throughout all phases of emergency management planning. At a minimum, the local emergency planning committee plan shall include the following:

* * *

Sec. 6. [Deleted.]

* * * Town Forest Fire Wardens * * *

Sec. 7. 10 V.S.A. § 2603 is amended to read:

§ 2603. POWERS AND DUTIES: COMMISSIONER

* * *

(d) The Commissioner or designee shall be the State fire-warden Forest Fire Warden and may act as, and in place of, the town forest fire warden of any municipality, unorganized town, or gore as provided under subchapter 4 of this chapter. The Commissioner or designee, as State Forest Fire Warden, shall have the authority to:

(1) exercise the authority and duties of a town forest fire warden as set forth in subchapter 4 of this chapter;

(2) appoint special forest fire wardens and delegate the authority of the State Forest Fire Warden to the special forest fire wardens;

(3) take command and control of a forest fire in any municipality or unorganized town or gore in the State when, in the State Forest Fire Warden's determination, it is necessary to do so, or when resources are needed in addition to local resources, and act as incident commander over all other fire officials;

(4) delegate the authority to act as incident commander of a forest fire to another person or entity;

(5) serve on the Northeastern Forest Fire Protection Commission or designate an appropriate Department representative to serve in the Commissioner's place, pursuant to section 2503 of this title, and exercise all related authority;

(6) enter into mutual aid compact agreements as set forth in section 2462 of this title; and

(7) issue a ban on kindling fires on lands owned by the Agency of Natural Resources when necessary.

* * *

Sec. 8. 10 V.S.A. chapter 83, subchapter 4 is amended to read:

Subchapter 4. Forest Fires and Fire Prevention

§ 2641. TOWN FOREST FIRE WARDENS; APPOINTMENT AND REMOVAL

~~(a) Upon approval by the selectboard and acceptance by the appointee, the Commissioner shall appoint a town forest fire warden for a term of five years or until a successor is appointed. A town forest fire warden may be reappointed for successive five-year terms by the Commissioner or until a successor is approved by the selectboard and appointed by the Commissioner. The warden may be removed for cause at any time by the Commissioner with the approval of the selectboard. A warden shall comply with training~~

~~requirements established by the Commissioner. The chief of the fire department, fire district, or private fire department with the jurisdictional responsibility to respond to a municipality, unorganized town, or gore is designated as the town forest fire warden and shall have the authority to exercise all the powers and duties of a town forest fire warden. For any municipality, unorganized town, or gore that is covered by two or more fire districts or has two or more fire departments, the municipality, unorganized town, or gore shall designate one fire chief as town forest fire warden and shall notify the Commissioner of the designation.~~

~~(b) The Commissioner may appoint a forest fire warden for an unorganized town or gore, who shall serve for a term of five years or until a successor is appointed. An appointed forest fire warden for an unorganized town or gore may be reappointed for successive five-year terms by the Commissioner until the Commissioner appoints and the unorganized town or gore approves a successor. The warden may be removed for cause at any time by the Commissioner with the approval of the unorganized town or gore. The forest fire warden of an unorganized town or gore shall have the same powers and duties as town forest fire wardens and shall be subject to the requirements of this subchapter. The chief of the fire department, fire district, or private fire department with the jurisdictional responsibility to respond to a municipality, unorganized town, or gore, as town forest fire warden, may designate deputy town forest fire wardens. The town forest fire warden shall provide a list of all designated deputy forest fire wardens to the Commissioner. Deputy forest fire wardens shall only have the authority to issue permits to kindle a fire as set forth in sections 2644 and 2645 of this subchapter.~~

~~(c) When there are woodlands within the limits of a city, the chief of the fire department of such city shall act as the city forest fire warden with all the powers and duties of town forest fire wardens. When a municipality, unorganized town, or gore does not have a fire department or is not covered by a fire district, the municipality, unorganized town, or gore may contract with a neighboring fire department or fire district to designate the chief of the fire department or fire district to serve as the town forest fire warden for the municipality, unorganized town, or gore. When a private fire department provides fire suppression and control services to a municipality, unorganized town, or gore, the chief of the private fire department may serve as the town forest fire warden when approved by the municipality, unorganized town, or gore.~~

~~(d) When the Commissioner deems it difficult in any municipality for one warden to take charge of protecting the entire municipality from forest fires, he or she may appoint one or more deputy forest fire wardens. Such wardens~~

~~under the direction of the fire warden shall have the same powers, duties, and pay and make the same reports through the fire warden to the Commissioner as forest fire wardens. [Repealed.]~~

(e) The Commissioner may ~~appoint~~ designate special forest fire wardens who shall hold office ~~during~~ at the pleasure of the Commissioner. ~~Such~~ The fire wardens shall be employees of the Department of Forests, Parks and Recreation with forest fire suppression and control training, and shall have the same powers and duties throughout the State as town forest fire wardens, except that all expenses and charges incurred on account of their official acts shall be paid from the appropriations for the Department.

§ 2642. SALARY AND COMPENSATION OF TOWN FOREST FIRE
WARDENS

(a) The salary of a town forest fire warden ~~and any deputy town forest fire warden~~ shall be determined by the selectboard members for time spent in the performance of the duties of ~~his or her~~ the warden's office, which shall be paid by the town. ~~In addition thereto, he or she shall receive from the Commissioner \$30.00 annually for fulfilling the requirements of section 2645 of this title and keeping the required State records. He or she shall also receive from the Commissioner \$30.00 per diem for attendance at each training required by the Commissioner. He or she shall also receive annually an amount of \$10.00 for each fire report that is submitted by the forest fire warden under section 2644 of this title.~~

* * *

§ 2643. TOWN'S LIABILITY FOR SUPPRESSION OF FOREST FIRES;
STATE AID

(a) A municipality in which a forest fire occurs shall pay the cost to suppress a forest fire that occurs on land that is not owned by the Agency of Natural Resources, including the costs of personnel and equipment. The Commissioner may, ~~according to the Department fire suppression reimbursement policy~~ when funds have been appropriated or are otherwise available, reimburse a municipality for all or a portion of the costs of suppressing a forest fire on land that is not owned by the Agency of Natural Resources.

(b) For the purpose of suppressing forest fires on lands owned by the Agency of Natural Resources, the State ~~shall~~ may reimburse a ~~town municipality or unorganized town or gore~~ town municipality or unorganized town or gore for some or all its forest fire suppression costs at a rate determined by the Commissioner ~~according to the Department fire suppression reimbursement policy~~. ~~If the total acreage of a~~

~~forest fire is determined to be partially on land owned by the Agency of Natural Resources and partially on land owned by another party, the Commissioner shall, at a minimum, reimburse the town at a rate determined by the Commissioner according to the Department fire suppression reimbursement policy for costs incurred by the municipality on land owned by the Agency of Natural Resources if, at a minimum, the requirements in subsection (c) of this section are satisfied. The Commissioner may establish additional requirements and guidance regarding reimbursement.~~

~~(c) For any forest fire on lands owned by the Agency of Natural Resources to be considered eligible for reimbursement from the State, a town forest fire warden shall have reported the forest fire to the Commissioner within 14 days of extinguishment of the fire as required under section 2644 of this title. For reimbursement of fire suppression costs for forest fires on land owned by the Agency of Natural Resources, the town forest fire warden and the Commissioner or designee shall approve the costs before submission to the municipality for payment. The town forest fire warden may submit to the State on an annual basis a request for reimbursement of fire suppression costs on lands owned by the Agency of Natural Resources. The State shall reimburse a town for all applicable forest fire suppression costs when the reimbursement request is presented in a form approved by the Commissioner to the Commissioner by December 31 of each year. a municipality, unorganized town, or gore shall, at a minimum, satisfy the following requirements:~~

~~(1) The town forest fire warden of a municipality, unorganized town, or gore shall request assistance within one hour of discovery after the forest fire from the Department of Forests, Parks and Recreation Wildland Fire Team, for the suppression of the forest fire on land owned by the Agency of Natural Resources.~~

~~(2) The town forest fire warden shall submit a report of the forest fire to the Commissioner within 24 hours after extinguishment of the fire as required under section 2644 of this title.~~

~~(3) The municipality, unorganized town, or gore shall submit detailed documentation of the costs of suppression of the forest fire to the Commissioner within 60 days after extinguishment of the forest fire.~~

~~(4) The Commissioner shall review and approve the request for reimbursement.~~

~~(d) For requests for reimbursement approved by the Commissioner for forest fire suppression costs of a municipality, unorganized town, or gore on land owned by the Agency of Natural Resources, payment of the costs shall be made by the Commissioner of Finance and Management to the municipality,~~

unorganized town, or gore. The funds for the payment are to be taken from the appropriation for forest fire suppression.

§ 2644. DUTIES AND POWERS OF FIRE WARDEN

(a) ~~When a forest fire or fire threatening a forest~~ forestland is discovered in ~~his or her town~~ the warden's jurisdiction of responsibility, the town forest fire warden shall enter upon any premises and take measures for its prompt control, suppression, and extinguishment. ~~The town forest fire warden may call upon any person for assistance. The town forest fire warden may choose to share or delegate command authority to a chief engineer of a responding fire department or, in the chief's absence, the highest ranking assistant firefighter present during the fire.~~ Within 24 hours after discovery of the forest fire on lands not owned by the Agency of Natural Resources, the town forest fire warden shall notify the Department of Forests, Parks and Recreation that the fire was discovered.

(b) A town forest fire warden shall ~~keep~~ prepare a report for all forest fires in the warden's jurisdiction that includes, at a minimum, the following information: a record of ~~his or her~~ the warden's acts, the number of forest fires and causes of the forest fires, the areas burned over, and the character and amount of damages done in the warden's jurisdiction. ~~Within two weeks~~ 48 hours after the extinguishment of a fire, the town forest fire warden shall file a report of the fire to the Commissioner, ~~but the making of a report under this subsection shall not be a charge against the town.~~

* * *

(d) Within 12 hours after granting permission to kindle a fire pursuant to section 2645 of this subchapter, the town forest fire warden or deputy forest fire warden shall issue a written "Permit to Kindle" stating when and where the fire may be kindled, including any conditions deemed appropriate by the town forest fire warden.

§ 2645. OPEN BURNING; PERMITS

(a) Except as otherwise provided in this section, a person shall not kindle or authorize another person to kindle a fire in the open air for the purpose of burning natural wood, brush, weeds, or grass without first obtaining ~~permission~~ a permit to kindle a fire from the town forest fire warden or deputy forest fire warden stating when and where ~~such~~ the fire may be kindled and imposing any conditions deemed necessary by the town forest fire warden or deputy forest fire warden. Special forest fire wardens designated by the Commissioner shall issue permits for Category 3 fires on land owned by the Agency of Natural Resources. ~~Wood, brush, weeds, or grass shall not be~~

~~burned if they have been altered in any way by surface applications or injection of paints, stains, preservatives, oils, glues, or pesticides. Whenever such permission is granted, the fire warden, within 12 hours, shall issue a written "Permit to Kindle" for record purposes stating when and where such fire may be kindled.~~

(b) ~~With the written approval of the Secretary, during~~ During periods of increased fire hazard, or when the Department of Environmental Conservation has issued an Air Quality Alert due to forecasted ambient air quality, the Commissioner may:

(1) ~~notify~~ Notify town forest fire wardens that for a specified period no ~~burning permits to kindle a fire~~ shall be issued. The forest fire wardens shall issue no permits during the specified period.

(2) Notify town forest fire wardens that for a specified period of time permits for Category 2 or 3 fires shall be prohibited or restricted as set forth by the Commissioner.

(3) Notify town forest fire wardens that for a specified period of time, Category 1 fires shall be prohibited or restricted as set forth by the Commissioner.

(c) ~~The provisions of this section will not apply to~~ A permit to kindle a fire is not required for the following categories or conditions when the requirements set forth below are satisfied:

(1) ~~the kindling of a fire in a location where there is snow surrounding the open burning site;~~

(2) ~~fires built in stone arches, outdoor fireplaces, or existing fire rings at State recreational areas or fires built in stone arches, outdoor fireplaces, or fire rings on private property that are not located within woodland, timberland, or a field containing dry grass or other flammable plant material contiguous to woodland;~~ Category 1 fires; or

(3) ~~the kindling of a fire in a location that is 200 feet or more from any woodland, timberland, or field containing dry grass or other flammable plant material contiguous to woodland; or~~

(4) ~~areas within cities maintaining a fire department.~~ the kindling of a fire that complies with all requirements established by rule adopted by the Commissioner of Forests, Parks and Recreation when a person is primitive camping on lands owned by the Agency of Natural Resources.

(d)(1) The Commissioner of Forests, Parks and Recreation may issue a ban on kindling fires on lands owned by the Agency of Natural Resources when necessary.

(e) As used in this section, “natural wood”:

(1) “Category 1” includes campfires that meet the following requirements:

(A) fires 36 inches in diameter or less that are built in stone arches, outdoor fireplaces, or existing fire rings at State recreational areas, other public recreational areas, or on private property; or

(B) fires 36 inches in diameter or less built in a location that is 200 feet or more from any forestland, or field containing dry grass or other flammable plant materials contiguous to forestland.

(2) “Category 2” includes natural wood fires that meet the following requirements:

(A) fires in piles larger than 36 inches in diameter; or

(B) fires 36 inches in diameter or less, not built in stone arches, outdoor fireplaces, or existing fire rings at State recreational areas, other public recreational areas, or on private property.

(3) “Category 3 broadcast burn” includes fires that meet the following requirements:

(A) Fires applied to existing vegetation in a predetermined land area, in a manner to meet specific or prescribed objectives, including fuels management, slash abatement, firefighter training, agricultural field burning, forest management, wildlife habitat management, or introduced species management.

(B) All Category 3 fires must have a plan that includes location, objectives, and contingency for escaped fire.

(4) “Forestland” means woodlands, timberland, brushland, forest, and woodlots.

(5) “Natural wood” means:

* * *

(2)(6) “Natural wood” does not mean other wood products such as sawdust, plywood, particle board, or press board. “Natural wood” does not mean wood, brush, weeds, or grass if they have been altered in any way by

surface applications or injections of paints, stains, preservatives, oils, glues, or pesticides.

* * *

§ 2646. PROCLAMATION BY GOVERNOR PROHIBITING KINDLING OF FIRES: CLOSING OF ~~WOODLANDS~~ FORESTLANDS

(a) Whenever it appears to the Governor that there is excessive danger of forest fires, ~~he or she~~ the Governor may prohibit by proclamation the kindling of a fire in or adjoining forestland or close any or all sections of ~~woodland forestland~~, or brushland, in any town for such time as the Governor may designate, to all persons ~~except the owner and his or her household, his or her tenants, servants, or agents and persons in the public employment engaged in abating such fire hazardous condition.~~

(b) Proclamations shall be ~~published in such newspapers of the State and posted in such places and in such manner as the Governor may order in writing.~~ A copy of ~~such publication~~ the proclamation and order, attested by the Secretary of Civil and Military Affairs, shall be filed with the Secretary of State and a like copy shall be furnished to the Commissioner who shall attend to the ~~publication and posting thereof of the proclamation.~~ The expenses of ~~such publication and posting~~ shall be paid by the Department. Notice of removal of restrictions imposed by proclamation shall be in the same manner.

§ 2647. FIRES IN ~~WOODS~~ FORESTLAND OF ANOTHER; PERMISSION

No one shall build a fire in the ~~woodlands~~ forestland of another without the permission of the owner, ~~lessee, holder of right-of-way, or his or her authorized agent between April 1 and November 1.~~ A person who builds a fire in or adjoining any woods shall totally extinguish such fire before leaving it.

§ 2648. SLASH REMOVAL

(a) A person may cut or cause to be cut forest growth only if all slash adjoining the right-of-way of any public highway, or the boundary lines of ~~woodlots~~ forestland owned by adjoining property owners, is treated as follows:

(1) All slash shall be removed for a distance of 50 feet from the right-of-way of any public highway or from the boundary lines of ~~woodlots~~ forestland owned by adjoining property owners.

* * *

(d) As used in this section, "slash" means the branches, tree tops, and other woody debris left on the forest floor after logging.

Sec. 9. REPEAL

10 V.S.A. chapter 83, subchapter 7 (uniform fire prevention ticket) is repealed.

Sec. 10. 20 V.S.A. § 2673 is amended to read:

§ 2673. POWERS AND DUTIES DURING HAZARDOUS CHEMICAL OR SUBSTANCE INCIDENT, FIRES; THREAT OF FIRES OR EXPLOSIONS; FOREST FIRES

* * *

(e) The chief of a fire district is designated as the town forest fire warden under 10 V.S.A chapter 83, subchapter 4 and shall have the authority and duties related to forest fires pursuant to that subchapter.

Sec. 11. 20 V.S.A. § 2992 is amended to read:

§ 2992. DEFINITION

The term “private fire department” includes fire protection organizations operated by industries, institutions, and establishments for self-protection and also nonprofit volunteer fire associations. Nothing contained in this subchapter shall be construed to interfere with the exclusive jurisdiction vested by law in the State Forester ~~and the State Forester’s subordinates~~ or the State Forest Fire Warden over forest fires as provided in 10 V.S.A. § 2603(d); 10 V.S.A. chapter 83, ~~subchapters subchapter 4 and 7~~; or 10 V.S.A. chapter 81, nor to affect the laws governing prevention or extinguishment of forest fires. Nothing contained in this subchapter shall be construed to interfere with general authorization vested by law in a chief engineer of a fire district or chief of a volunteer fire department to give outside aid as provided in sections 2674 and 2961 of this title.

* * * Increasing Wildland Fire Response Capacity Task Force * * *

Sec. 11a. INCREASING WILDLAND FIRE RESPONSE CAPACITY TASK FORCE; REPORT

(a) Creation. There is created the Increasing Wildland Fire Response Capacity Task Force to examine and report on increasing Vermont’s capacity for wildland fire response.

(b) Membership. The following individuals and entities shall be invited by Department of Forests, Parks and Recreation to join the Task Force:

- (1) the Department of Forests, Parks and Recreation;
- (2) Vermont Emergency Management;

- (3) the Department of Public Safety, Division of Fire Safety;
- (4) the Green Mountain National Forest;
- (5) the Vermont League of Cities and Towns; and
- (6) two municipal fire chiefs, with one being a career fire fighter and the other being a volunteer fire fighter.

(c) Powers and duties. The Task Force shall examine how to best increase Vermont's capacity for wildland fire response, including:

(1) examining available information on wildland fire incidence and existing response capacity, and making recommendations regarding staffing, funding, equipment, supplies, and infrastructure, including vehicles, necessary to increase wildland fire response capacity; and

(2) identifying any potential policy or statutory changes needed to improve wildland fire response capacity; clarify statewide roles and responsibilities among State, municipal, and federal entities; and recommend any coordination and communication improvements.

(d) Assistance. The Task Force shall have the administrative, technical, and legal assistance of Department of Forests, Parks and Recreation.

(e) Report. On or before February 15, 2027, and again on or before July 2027, the Task Force shall submit a written report to House Committees on Agriculture, Food Resiliency, and Forestry and on Government Operations and Military Affairs and to the Senate Committees on Natural Resources and Energy and on Government Operations with its findings to date and any recommendations for legislative action.

(f) Meetings.

(1) The Commissioner of the Department of Forests, Parks and Recreation, or designee, shall call the first meeting of the Task Force.

(2) The Commissioner of the Department of Forests, Parks and Recreation, or designee, shall be the chair of the Task Force.

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

(4) The Task Force shall cease to exist on November 16, 2027.

(g) Compensation and reimbursement. Members of the Task Force 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 Department of Forests, Parks and Recreation.

* * * Public Safety Communications * * *

Sec. 12. DEPARTMENT OF PUBLIC SAFETY; PUBLIC SAFETY
COMMUNICATIONS TASK FORCE; AUTHORIZATION FOR
ONGOING EXPENDITURE OF FUNDS

(a) The General Assembly authorizes the use of monies appropriated or held in reserve pursuant 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115 and 2023 Acts and Resolves No. 87, Sec. 49, for the Department of Public Safety to procure and implement a multidisciplinary computer-aided dispatch system for public safety communications, subject to the following:

(1) \$2,250,000.00 shall be available for immediate costs associated with establishing the multidisciplinary computer-aided dispatch system and five years of software licensing fees, provided that the Department issues requests for proposal and signs contracts for services on or before January 1, 2027;

(2) \$190,000.00 shall be immediately available for cybersecurity, expanded use of Rapid SOS, and geographic information systems; and

(3) \$4,500,000.00 shall be available incrementally over three years to:

(A) implement and expand the Land Mobile Radio network to include a Statewide conceptual design;

(B) detail designs for one or more proof of concept projects and initially implement pilot projects; and

(C) build out or improve 10 or more Land Mobile Radio sites, including equipment and antenna deployment at existing chosen sites.

(b) Notwithstanding any provisions of 2023 Acts and Resolves No. 78, Sec. C.114 to the contrary, the Public Safety Communications Task Force shall continue in existence until February 15, 2027. The Task Force shall meet as necessary to advise the Department of Public Safety on executing the Task Force recommendations and final design plan. Notwithstanding 2023 Acts and Resolves No. 78, Sec. C.114(d)(3), members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Department of Public Safety.

(c) The Department of Public Safety shall submit written reports to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and Government Operations concerning the expenditure of monies pursuant to this section. The Department shall submit the written reports on or before May 1,

2027, January 15, 2028, and January 15, 2029, concerning the expenditures made during each respective reporting period.

(d) After the end of the three-year period described in subdivision (a)(3) of this section, the Department of Public Safety may submit a request to the General Assembly to authorize the use of any remaining monies from the appropriations appropriated or held in reserve pursuant 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 78, Sec. C.115 and 2023 Acts and Resolves No. 87, Sec. 49. Any remaining monies shall not be used by the Department unless authorized by the General Assembly.

Sec. 13. [Deleted.]

* * * Programs Contingent on Availability of Agency Funds * * *

Sec. 13a. PROGRAMS CONTINGENT ON AVAILABILITY OF AGENCY FUNDS

The duty to implement Secs. 1 (Ready Response Grant Program) and 2 (Technical Rescue Grant Program) of this act is contingent upon the availability of sufficient funds within the Department of Public Safety and the Agency of Administration to support the programs.

* * * Appropriation * * *

Sec. 13b. APPROPRIATION

The sum of \$500,000.00 is appropriated from the General Fund to the Department of Public Safety in fiscal year 2027 for the Ready Response Grant Program administered by the Division of Emergency Management.

* * * Emergency Rule * * *

Sec. 13c. 3 V.S.A. § 844 is amended to read:

§ 844. EMERGENCY RULES

(a) Where an agency believes that there exists an imminent peril to public health, safety, or welfare, it may adopt an emergency rule. The rule may be adopted without having been prefiled or filed in proposed or final proposed form, and may be adopted after whatever notice and hearing the agency finds to be practicable under the circumstances. The agency shall make reasonable efforts to ensure that emergency rules are known to persons who may be affected by them.

* * *

(g) In the alternative to the grounds specified in subsection (a) of this section, an agency may adopt emergency amendments to existing rules using the process set forth in this section if each of the subdivisions (1)–(5) of this subsection applies. On a majority vote of the entire Committee, the Legislative Committee on Administrative Rules may object to the emergency amendments on the basis that one or more of these subdivisions do not apply or under subdivision (e)(1)(A), (B), or (C) of this section, or both.

(1) The existing rules implement a program controlled by federal statute or rule or by a multistate entity.

(2) The controlling federal statute or rule has been amended to require a change in the program, or the multistate entity has made a change in the program that is to be implemented in all of the participating states.

(3) The controlling federal statute or rule or the multistate entity requires implementation of the change within 120 days or less.

(4) The adopting authority finds each of the following in writing:

(A) The agency cannot by the date required for implementation complete the final adoption of amended rules using the process set forth in sections ~~837 through 843~~ 837–843 of this title.

(B) Failure to amend the rules by the date required for implementation would cause significant harm to the public health, safety, or welfare or significant financial loss to the State.

(5) On the date the emergency rule amendments are adopted pursuant to this subsection, the adopting authority prefiles a corresponding permanent rule pursuant to section 837 of this title.

(h) In addition to the grounds for emergency rulemaking under subsections (a) and (g) of this section, an agency may adopt an emergency rule under this section if an amendment to a federal statute, rule, or policy will materially conflict with or threaten the ability of the agency to implement a statutory or regulatory program required under Vermont law. On a majority vote of the entire Committee, the Legislative Committee on Administrative Rules may object to proposed emergency rules for adoption under this subsection on the basis that the provisions of this subsection do not apply.

Sec. 13d. SUNSET OF AGENCY EMERGENCY RULEMAKING AUTHORITY

3 V.S.A. § 844(h) (emergency rulemaking in response to federal action) is repealed on July 1, 2028.

* * * Effective Dates * * *

Sec. 14. EFFECTIVE DATES

(a) This section and sections 13c and 13d shall take effect upon passage.

(b) All other sections shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(For House amendments, see House Journal of March 27, 2026, pages 3670-3673)

Reported favorably with recommendation of proposals of amendment by Senator Perchlik 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, with further proposals of amendment as follows:

First: In Sec. 12, Department of Public Safety; Public Safety Communications Task Force; authorization for ongoing expenditure of funds, by striking out subsection (d) in its entirety.

Second: By striking out Sec. 13b, appropriation, in its entirety and inserting in lieu thereof a new Sec. 13b to read as follows:

Sec. 13b. [Deleted.]

(Committee vote: 7-0-0)

H. 942.

An act relating to miscellaneous agricultural subjects.

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

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

First: In Sec. 3, 6 V.S.A. chapter 37, in section 681, after subdivision (3), by adding a new subdivision (4) to read as follows and by renumbering the remaining subdivisions to be numerically correct:

(4) “Convenience store” means a type of retail establishment that sells a limited number of everyday items such as motor fuel, tobacco products, made-to-order food, snacks, and beverages that serve as a quick, accessible retail option for consumers who typically purchase a small number of products, and that does not offer a sufficient quantity of consumer commodities to make unit pricing as useful to consumers. “Convenience store” does not include a

grocery store, drug store, dollar store, or any other type of store. The Secretary has the discretion to determine whether a retail establishment is a convenience store.

Second: In Sec. 3, 6 V.S.A. chapter 37, in section 686, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) The unit price requirements of this chapter shall not apply to sales of consumer commodities commodity sales as follows:

(1) At a retail store with less than 7,000 square feet of floor space dedicated to the sale of consumer commodities. This ~~exception~~ exemption shall not apply to ~~the sales agencies or instrumentalities~~ retail establishments of a company having two or more sales agencies or instrumentalities locations as parts of that company.

(2) ~~For use or consumption on the premises where sold~~ Convenience stores.

(3) When different brands or products are commingled in one receptacle for a limited-time one-priced sale.

(4) When commodities are individually marked with a clearance or sale tag and are located in a clearance or limited-time sale section of the store. Clearance or limited-time sale sections may be on a shelf or multiple shelves, or in another defined area of the store.

(5) When the unit price is identical to the total selling price.

(6) When the item falls into one of the following categories:

(A) seasonal decorations; or

(B) beverages subject to the Federal Alcoholic Administration Act packing and labeling requirements.

Third: By striking out Sec. 4, effective date, and its reader assistance heading in their entireties and inserting in lieu thereof a new Sec. 4 and reader assistance heading to read as follows:

* * * Equine Farming for Use Value Appraisal * * *

Sec. 4. 32 V.S.A. § 3752 is amended to read:

§ 3752. DEFINITIONS

As used in this subchapter:

(1) "Agricultural land" means any land, exclusive of any housesite, in active use to grow hay or cultivated crops, pasture livestock, cultivate trees

bearing edible fruit, or produce an annual maple product, and that is 25 acres or more in size, except as provided in this subdivision (1). Agricultural land ~~shall include~~ includes buffer zones as defined and required in the Agency of Agriculture, Food and Markets' Required Agricultural Practices rule adopted under 6 V.S.A. chapter 215. There shall be a presumption that the land is used for agricultural purposes if:

(A) it is owned by a farmer and is part of the overall farm unit;

(B) it is used by a farmer as part of the farmer's operation under written lease for at least three years; or

(C) it has produced an annual gross income from the sale of farm crops or from equine farming in one of two, or three of the five, calendar years preceding of at least:

(i) \$2,000.00 for parcels of up to 25 acres; and

(ii) \$75.00 per acre for each acre over 25, with the total income required not to exceed \$5,000.00.

(iii) Exceptions to these income requirements may be made in cases of orchard lands planted to fruit-producing trees, bushes, or vines that are not yet of bearing age. As used in this section, the term "farm crops" also includes animal fiber, cider, wine, and cheese, produced on the enrolled land or on a housesite adjoining the enrolled land, from agricultural products grown on the enrolled land.

* * *

(7) "Farmer" means a person:

(A) who earns at least one-half of the farmer's annual gross income from the business of farming as that term is defined in Regulation 1.175-3 issued under the Internal Revenue Code of 1986 or from the business of equine farming; or

(B)(i) who produces farm crops that are processed in a farm facility situated on land enrolled by the farmer in a use value appraisal program or on a housesite adjoining the enrolled land;

(ii) whose gross income from the sale of the processed farm products pursuant to subdivision (i) of this subdivision (B), when added to other gross income from the business of farming as used in subdivision (A) of this subdivision (7), equals at least one-half of the farmer's annual gross income; and

(iii) who produces on the farm a minimum of 75 percent of the farm crops processed in the farm facility.

(C) The Agency of Agriculture, Food and Markets shall assist the Director in making determinations of eligibility pursuant to subdivision (B) of this subdivision (7).

* * *

(18) “Equine farming” means the raising, feeding, or management of four or more equines owned or boarded by the farmer, including training, showing, and providing instruction and lessons in riding, training, and the management of equines.

Fourth: By adding a reader assistance heading and one new section to be Sec. 5 to read as follows:

* * * Community Development Initiatives * * *

Sec. 5. 10 V.S.A. § 325m is amended to read:

§ 325m. RURAL ECONOMIC DEVELOPMENT INITIATIVE

(a) Definitions. As used in this subchapter:

(1) “Rural area” means a county of the State designated as “rural” or “mostly rural” by the U.S. Census Bureau in its most recent decennial census.

(2) “Small town” means a town in the State with a population of less than 5,000 at the date of the most recent U.S. Census Bureau decennial census.

(3) “Community development initiatives” means priority projects located throughout the State that support agriculture, historic preservation, outdoor recreation, and other critical economic development needs, which may be supported when State resources or staffing assistance is not available.

(b) Establishment. There is created the Rural Economic Development Initiative to be administered by the Vermont Housing and Conservation Board for the purpose of promoting and facilitating community economic development in the small towns and rural areas of the State, and supporting community development initiatives. The Rural Economic Development Initiative shall collaborate with municipalities, businesses, regional development corporations, regional planning commissions, and other appropriate entities to access funding and other assistance available to small towns and businesses primarily in rural areas of the State when existing State resources or staffing assistance is not available.

(c) Services; access to funding. The Rural Economic Development Initiative shall provide the following services to small towns and businesses primarily in rural areas:

(1) identification of grant or other funding opportunities that facilitate business development, infrastructure development, or other economic development opportunities; or

(2) technical assistance in writing grants, accessing other funding, coordination with providers of grants or other funding, strategic planning for the implementation or timing of activities funded by grants or other funding, and compliance with the requirements of grant awards or awards of other funding.

(d) Priority. In providing services under this section, the Rural Economic Development Initiative shall give first priority to projects that have received necessary State or municipal approval and that are ready for construction or implementation.

(e) Priority projects. The Rural Economic Development Initiative shall ~~seek to assist~~ include the following priority types of projects:

(1) milk plants, milk handlers, or dairy products, as those terms are defined in 6 V.S.A. § 2672;

(2) outdoor recreation and equipment enterprises;

(3) value-added food and forest products enterprises;

(4) farm operations, including phosphorus removal technology for farm operations;

(5) coworking or business generator and accelerator spaces;

(6) commercial composting facilities; and

(7) restoration and rehabilitation of historic buildings in community centers.

(f) Coordination. In providing services under this section, the Rural Economic Development Initiative shall coordinate with the Secretary of Commerce and Community Development, regional development corporations, and regional planning commissions.

(g) Report. Beginning on January 31, 2019, and annually thereafter, the Rural Economic Development Initiative shall submit to the Senate Committees on Agriculture and on Economic Development, Housing and General Affairs and the House Committees on Agriculture, Food Resiliency, and Forestry and on Commerce and Economic Development a report regarding the activities and

progress of the Initiative as part of the report of the Vermont Farm and Forest Viability Program. The report shall summarize the Initiative's activities in the preceding year; evaluate the effectiveness of the services provided by the Initiative; provide an accounting of the grants or other funding that the Initiative facilitated or helped secure; and recommend any changes to the program to further economic development in small towns and rural areas of the State.

Fifth: By adding a reader assistance heading and one new section to be Sec. 6 to read as follows:

* * * Retail Sales Tax * * *

Sec. 6. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:

* * *

(12) Motor vehicle purchases and use taxed under chapter 219 of this title and the transactions exempted therefrom that are listed in section 8911 of this title. Provided, however, that notwithstanding subdivision 8911(5) of this title, construction, earthmoving, logging, and motorized equipment that has not been registered as a motor vehicle is subject to tax under this chapter, and further provided that power take off and other auxiliary equipment on motor vehicles, whether attached prior to or subsequent to registration, is not exempt under this section, except for equipment under subdivision (51) of this section. Motor vehicle parts purchased by a dealer registered under the provisions of 23 V.S.A. §§ 451–468 shall be exempt from the tax under this chapter when used to recondition a used motor vehicle owned by the dealer in its inventory for resale.

* * *

(51) The following machinery, including repair parts, used for timber cutting, timber removal, and processing of timber or other solid wood forest products intended to be sold ultimately at retail: skidders with grapple and cable; feller bunchers; cut-to-length processors; forwarders; delimiters; loader slashers; log loaders; whole-tree chippers; stationary screening systems; firewood processors, elevators, and screens, semi-trailers, tractors, truck cranes, truck tractors, trailers, and motor trucks and motor vehicles with a manufacturer's listed gross vehicle weight of 10,000 pounds or more; and when sold for use on any machinery listed under this subdivision, traction

enhancement accessories, tire chains, track systems, and winch cables. The Department of Taxes shall publish guidance relating to the application of this exemption. The Department of Taxes may require a purchaser at the time of purchase to certify that a motor vehicle or other equipment is exempt under this section. As used in this subdivision, “motor vehicle” has the same meaning as in 23 V.S.A. § 4(21) and “motor truck” has the same meaning as in 23 V.S.A. § 4(20).

* * *

Sixth: By adding a reader assistance heading and one new section to be Sec. 7 to read as follows:

* * * Farm and Forestry Operations Security Special Fund * * *

Sec. 7. 6 V.S.A. § 4643(e) is amended to read:

(e) All administratively complete applications shall be evaluated by the Review Board. Within 15 days following receipt of an administratively complete application, the Review Board by majority vote shall recommend to the Secretary whether to issue a payment to the applicant. ~~If the Review Board recommends an award under this section, the~~ The Secretary shall ~~issue the award~~ make a final award determination within 15 days following the date of the Review Board’s recommendation.

Seventh: By adding a reader assistance heading and one new section to be Sec. 8 to read as follows:

* * * Effective Dates * * *

Sec. 8. EFFECTIVE DATES

(a) Sec. 4 shall take effect on July 1, 2027.

(b) All other sections shall take effect on July 1, 2026.

(Committee vote: 5-0-0)

(No House amendments)

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

The Committee recommends that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Agriculture, with further proposals of amendment as follows:

First: In the third instance of amendment, by striking out Sec. 4, 32 V.S.A. § 3752 (definitions), in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. EQUINE FARMING AND USE VALUE APPRAISAL STUDY;
REPORT

(a) The Commissioner of Taxes shall study and provide recommendations for including equine farming in the Use Value Appraisal Program. The Commissioner shall submit the recommendations to the House Committees on Agriculture, Food Resiliency, and Forestry and on Ways and Means and the Senate Committees on Agriculture and on Finance on or before December 15, 2026. The Commissioner's recommendations shall include an analysis of the potential fiscal impact of permitting agricultural land and farm buildings that are used for equine farming to enroll in the Use Value Appraisal Program.

(b) As used in this section:

(1) "Agricultural land" has the same meaning as in 32 V.S.A. § 3752(1).

(2) "Equine farming" means the raising, feeding, or management of four or more equines owned or boarded by a farmer for gain or profit, including training, showing, and providing instruction and lessons in riding, training, and the management of equines.

(3) "Farm buildings" has the same meaning as in 32 V.S.A. § 3752(14).

(4) "Farmer" has the same meaning as in 32 V.S.A. § 3752(7).

Second: In the fifth instance of amendment, by striking out Sec. 6, 32 V.S.A. § 9741, in its entirety and by renumbering the remaining sections to be numerically correct

Third: In the seventh instance of amendment, by striking out the newly renumbered Sec. 7, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof a reader assistance heading and a new Sec. 7 to read as follows:

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2026.

(Committee vote: 6-0-1)

Report of Committee of Conference

S. 325.

An act relating to regional planning and Act 250 Tier jurisdiction.

To the Senate and House of Representatives:

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

S. 325. An act relating to regional planning and Act 250 Tier jurisdiction

Respectfully reports that it has met and considered the same and recommends that the Senate accede to the House proposal of amendment with further amendment thereto as follows:

First: In Sec. 6, 10 V.S.A. § 6081, by striking out subsection (t) in its entirety and inserting in lieu thereof a new subsection (t) to read as follows:

(t)(1) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the storage or sale of qualifying products or the other eligible enumerated products as defined in 24 V.S.A. § 4412(11)(A)(i)(I).

(2) No permit or permit amendment is required for the construction of improvements for an accessory on-farm business for the preparation or processing of qualifying products as defined in 24 V.S.A. § 4412(11)(A)(i)(I), provided that more than 50 percent of the total annual sales of the prepared or processed qualifying products come from products produced on the farm where the business is located. ~~This subsection shall not apply to~~

(3) ~~No permit or permit amendment is required for the construction of improvements related to hosting events or farm stays as part of~~ for an accessory on-farm business of educational, recreational, or social events that feature agricultural practices or qualifying products, or both, as defined in 24 V.S.A. § 4412(11)(A)(i)(II). Types of events may include concerts and farm stays with five or fewer dwelling units. To qualify for this exemption, the accessory on-farm business shall not:

(A) have noise exceed 70 dB at the property boundaries; and

(B) have events that continue past 10:00 p.m.

(4) For purposes of this subsection, “feature agricultural practices or qualifying products” means that a host farm’s agricultural practices or its qualifying products are a substantial component of any educational, recreational, or social event the accessory on-farm business hosts.

Second: In Sec. 9, public engagement plan, in subsection (a), by striking out subdivisions (1) and (2) in their entireties and inserting in lieu thereof new subdivisions (1) and (2) to read as follows:

(1) ensure the engagement planning process does not presuppose outcomes or take positions on policy and political issues;

(2) utilize nonpartisan facilitation for statewide, democratic public engagement;

Third: In Sec. 9, public engagement plan, in subsection (b), by striking out subdivisions (1) and (2) in their entirety and inserting in lieu thereof new subdivisions (1) and (2) to read as follows:

(1) the risks of losing working lands, both agricultural and forestland, and the causes of those risks, and critical natural resources not already well-protected by current land use policy, permitting programs, or other regulatory tools, including agricultural soils, rare natural communities, forest blocks, habitat connectors of statewide significance, and headwaters; and

(2) equitable, efficient, and effective regulatory or nonregulatory tools to protect these working lands and critical natural resources and the barriers to land stewardship.

Fourth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Composition. The Committee shall be composed of six members: three members of the House of Representatives, who shall not all be from the same party, appointed by the Speaker of the House; and three members of the Senate, who shall not all be from the same party, appointed by the Committee on Committees.

Fifth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, in subsection (c), by striking out the last sentence in its entirety and inserting in lieu thereof a new sentence to read as follows:

A quorum shall consist of four members.

Sixth: In Sec. 10, 2 V.S.A. chapter 32, in section 1031, by striking out subsection (g) in its entirety and inserting in lieu thereof a new subsection (g) to read as follows:

(g) Duties. The Committee shall meet with the Land Use Review Board to ensure strong communication and coordination regarding the interpretation and implementation of the statutes amended as part of 2024 Acts and Resolves No. 181, how the permitting process under 10 V.S.A. chapter 151 is working, and how the new Board structure is working. The Committee shall also meet with the Agency of Natural Resources to learn about Agency efforts to improve and better coordinate its permitting processes and to coordinate efforts for further improvements to the process for applicants and outcomes for Vermonters.

Seventh: In Sec. 14, 24 V.S.A. § 4303, in subdivision (43), by striking out subdivision (E) in its entirety and inserting in lieu thereof a new subdivision (E) to read as follows:

(E) serves to strengthen agricultural and forest industries, including homesteading, small-scale agriculture and forestry, and the housing that supports these activities, while minimizing conflicts of development with these industries;

Eighth: In Sec. 20, 24 V.S.A. § 5808, by striking out subdivision (1) in its entirety and inserting in lieu thereof a new subdivision (1) to read as follows:

(1) a summary of the Community Investment Program’s activities during the preceding fiscal year, including which municipalities received a designation or new Step, or other actions taken by the Board that confer eligibility for or priority access to State funding, tax credits, and other Program benefits;

Ninth: In Sec. 21, municipal appeals and discretionary review of housing; report, in subsection (a), by striking out subdivision (5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) data on housing that has been built in the areas exempt from Act 250 jurisdiction under 10 V.S.A. § 6081(dd), including the number of units; the type of units, including the number of affordable units, market-rate units, second homes, units for short-term rental, units for long-term rental, single-unit dwellings, and multiunit dwellings; the price; and where the units were constructed; and

Tenth: By striking out Sec. 23, effective date, in its entirety and inserting in lieu thereof a new Sec. 23 to read as follows:

Sec. 23. EFFECTIVE DATE

This act shall take effect on July 1, 2026, except that in Sec. 6 (10 V.S.A. § 6081), subsection (t) shall take effect on July 1, 2027.

*SEN. ANNE E. WATSON
SEN. SETH BONGARTZ
SEN. TERRY K. WILLIAMS*

Committee on the part of the Senate

*REP. AMY D. SHELDON
REP. LARRY LABOR
REP. ELA CHAPIN*

Committee on the part of the House

H. 740.

An act relating to the greenhouse gas inventory and registry.

To the Senate and House of Representatives:

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

H. 740. An act relating to the greenhouse gas inventory and registry.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment with further amendment thereto by striking out Sec. 1, 10 V.S.A. § 582, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 10 V.S.A. § 582 is amended to read:

§ 582. GREENHOUSE GAS INVENTORIES; REGISTRY

(a) Inventory and forecasting. The Secretary shall work, in conjunction with other states or a regional consortium, to establish a periodic and consistent inventory of greenhouse gas emissions. The Secretary shall publish the Vermont Greenhouse Gas Emission Inventory and Forecast by not later than June 1, 2010, and updates shall be published annually until ~~2028~~ 2030, until a regional or national inventory and registry program is established in which Vermont participates, or until the federal National Emissions Inventory includes mandatory greenhouse gas reporting. The Secretary of Natural Resources shall include a supplemental accounting in the Vermont Greenhouse Gas Emissions Inventory and Forecast that measures the upstream and lifecycle greenhouse gas emissions of liquid, gaseous, solid geologic and biogenic fuels combusted in Vermont.

* * *

(e) Rules.

(1) The Secretary may adopt rules to implement the provisions of this section and shall review existing and proposed international, federal, and State greenhouse gas emission reporting programs and make reasonable efforts to promote consistency among the programs established pursuant to this section and other programs, and to streamline reporting requirements on greenhouse gas emission sources. Except as provided in subsection (g) of this section, nothing in this section shall limit a State agency from adopting any rule within its authority.

(2) The Secretary has authority to adopt rules that create a comprehensive greenhouse gas emission reporting program that covers all

sources of emissions, including fuel suppliers. Suppliers of transportation and heating fuels covered by the rules shall comply with requests from the Secretary for information. The Secretary shall adopt a rule that at a minimum includes the types and volume of fossil fuels sold by sector for the transportation, residential, commercial, and industrial sectors and by zip code, municipality, or the smallest geographic level practicable that also protects the individual identities of consumers.

* * *

*SEN. ANNE E. WATSON
SEN. SETH BONGARTZ
Committee on the part of the Senate*

*REP. KATHLEEN C. JAMES
REP. R. SCOTT CAMPBELL
REP. DARA TORRE
Committee on the part of the House*

H. 952.

An act relating to capital construction and State bonding budget adjustment.

To the Senate and House of Representatives:

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

H. 952. An act relating to capital construction and State bonding budget adjustment.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Intent * * *

Sec. 1. 2025 Acts and Resolves No. 33, Sec. 1 is amended to read:

Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the \$111,965,288.44 \$123,564,624.67 authorized in Secs. 2-16 this act, not more than \$61,969,761.44 \$61,449,761.44 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

* * *

* * * Bond-Funded Project Authorizations * * *

Sec. 2. 2025 Acts and Resolves No. 33, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

* * *

(b) The following sums are appropriated in FY 2026:

* * *

(2) Statewide, three-acre parcel stormwater compliance: ~~\$1,500,000.00~~
\$500,000.00

* * *

(c) The following sums are appropriated in FY 2027:

(1) Statewide, major maintenance: ~~\$8,500,000.00~~ \$8,683,413.18

* * *

(4) ~~Statewide, three-acre parcel stormwater compliance: \$1,100,000.00~~
[Repealed.]

* * *

(7) Montpelier, State House replacement of ~~historie~~ interior finishes:
\$50,000.00

(8) Montpelier, 120 State Street HVAC – steam lines interior renovation: ~~\$2,000,000.00~~ \$1,000,000.00

* * *

(12) Montpelier, State House entryway upgrades, design documents, including comprehensive parking plan and delivery truck access, and second-floor egress design: \$1,300,000.00

(d) On or before January 15, 2027, the Sergeant at Arms and the Commissioner of Buildings and General Services shall report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the status of the designs for the State House entryway and second-floor egress under subdivision (c)(12) of this section and on estimates for construction costs.

Appropriation – FY 2026	\$13,726,680.44	<u>\$12,726,680.44</u>
Appropriation – FY 2027	\$15,925,000.00	<u>\$15,308,413.18</u>
Total Appropriation – Section 2	\$28,951,680.44	<u>\$28,035,093.62</u>

Sec. 3. 2025 Acts and Resolves No. 33, Sec. 3 is amended to read:

Sec. 3. HUMAN SERVICES

(a) The following sums are appropriated in FY 2026 to the Department of Buildings and General Services for the Agency of Human Services for the following projects:

* * *

(4) St. Johnsbury, Northeast Correctional Complex (NECC) door control system replacements: ~~\$1,000,000.00~~ \$1,480,000.00

* * *

(b) The following sums are appropriated in FY 2027 to the Department of Buildings and General Services for the Agency of Human Services for the following projects:

(1) Statewide, planning, design, and construction for HVAC system upgrades at correctional facilities: ~~\$1,000,000.00~~ \$9,426,254.21

* * *

(4) St. Johnsbury, Northeast Correctional Complex (NECC) door control system replacements: ~~\$2,600,000.00~~ \$2,920,000.00

(5) ~~Newport, Northern State Correctional Facility (NSCF) sprinkler system upgrades: \$500,000.00 [Repealed.]~~

(6) Newport, Northern State Correctional Facility (NSCF) boiler replacement: \$700,000.00

(7) Maintenance, replacement, and renovations at the Chittenden Regional Correctional Facility or other correctional facilities utilized in response to overcrowding for the incarcerated women’s population: \$598,850.00

* * *

Appropriation – FY 2026	\$8,225,000.00 <u>\$8,705,000.00</u>
Appropriation – FY 2027	\$4,800,000.00 <u>\$14,345,104.21</u>
Total Appropriation – Section 3	\$13,025,000.00 <u>\$23,050,104.21</u>

Sec. 4. 2025 Acts and Resolves No. 33, Sec. 4 is amended to read:

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

* * *

(b) The following sums are appropriated in FY 2027 to the Agency of Commerce and Community Development for the following projects:

(1) Major maintenance at statewide historic sites: \$550,000.00
\$750,000.00

* * *

(3) Roadside historic site markers: \$25,000.00 \$45,000.00

* * *

Appropriation – FY 2027 \$621,000.00 \$841,000.00

Total Appropriation – Section 4 \$1,667,000.00 \$1,887,000.00

Sec. 5. 2025 Acts and Resolves No. 33, Sec. 6 is amended to read:

Sec. 6. VETERANS’ HOME

(a) The following sums are appropriated in FY 2026 to the Vermont Veterans’ Home for the following projects:

(1) Replacement of air handlers: \$710,000.00

(2) Expansion of laundry facilities: \$340,000.00

(b) The Chief Executive Officer of the Vermont Veterans’ Home is authorized to transfer any unexpended project balances between the amounts appropriated in subdivisions (a)(1)–(2) of this section and the amount appropriated in subsection (c) of this section.

(c) The sum of \$1,250,000.00 is appropriated in FY 2027 to the Vermont Veterans’ Home for sewage system and elevator upgrades.

Appropriation – FY 2026 \$1,050,000.00

Appropriation – FY 2027 \$1,250,000.00

Total Appropriation – Section 6 \$1,050,000.00 \$2,300,000.00

Sec. 6. 2025 Acts and Resolves No. 33, Sec. 10 is amended to read:

Sec. 10. CLEAN WATER INITIATIVES

* * *

~~(e) The sum of \$10,000,000.00 is appropriated in FY 2027 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects. [Repealed.]~~

(f) In FY 2026 and FY 2027, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

(g) The sum of \$1,500,000.00 is appropriated in FY 2027 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(h) The following sums are appropriated in FY 2027 to the Agency of Natural Resources for the Department of Environmental Conservation for the following projects:

- (1) Clean Water State Revolving Fund: \$1,577,600.00
- (2) Municipal pollution control grants: \$3,922,400.00

(i) The sum of \$200,000.00 is appropriated in FY 2027 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for water quality improvements to forest access roads.

(j) The following sums are appropriated in FY 2027 to the Vermont Housing and Conservation Board for the following projects:

- (1) Agricultural water quality projects: \$800,000.00
- (2) Land conservation and water quality projects: \$2,000,000.00

* * *

Sec. 7. 2025 Acts and Resolves No. 33, Sec. 14 is amended to read:

Sec. 14. JUDICIARY

* * *

(c) The sum of \$1,720,818.84 is appropriated in FY 2027 to the Department of Buildings and General Services for the Judiciary for the Newport Courthouse project.

Appropriation – FY 2026	\$5,075,910.00
<u>Appropriation – FY 2027</u>	<u>\$1,720,818.84</u>
Total Appropriation – Section 14	<u>\$5,075,910.00</u> <u>\$6,796,728.84</u>

* * * Reallocations * * *

Sec. 8. 2025 Acts and Resolves No. 33, Sec. 17 is amended to read:

Sec. 17. REALLOCATION AND REVERSION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums ~~are reallocated~~ appropriated to the Department of Buildings and General Services from prior capital appropriations are reallocated to defray expenditures authorized in Secs. 2–16 of this act:

* * *

(12) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 13(b)(2), as added by 2018 Acts and Resolves No. 190, Sec. 10 (CJTC East Cottage): \$43,190.08

(13) of the amounts appropriated in 2019 Acts and Resolves No. 42, Sec. 2(c) (various projects): \$1,624,241.12

(14) of the amounts appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b) (various projects): \$393,854.32

(15) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 3(a)(2) (women’s correctional facilities): \$97,890.12

(16) of the amounts appropriated in 2021 Acts and Resolves No. 50, Sec. 2(c) (various projects): \$618,000.00

(17) of the amounts appropriated in 2023 Acts and Resolves No. 69, Sec. 2(b) (various projects): \$350,420.67

(18) of the amounts appropriated in 2023 Acts and Resolves No. 69, Sec. 2(c) (various projects): \$150,000.00

(19) of the amounts appropriated in 2021 Acts and Resolves No. 50, Sec. 3(b)(1) (women’s correctional facilities, replacement): \$868,850.00

(b) The following sums appropriated to the Agency of Commerce and Community Development from prior capital appropriations are reallocated to defray expenditures authorized in Secs. 2–16 of this act:

* * *

(3) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 4(a)(4) (Unmarked Burial Fund): \$31,320.70

* * *

(h) Of the amount appropriated from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments to the Vermont Veterans’ Home in 2024 Acts and Resolves No. 113, Sec. B.1103(a)(7) and authorized in 2023 Acts and Resolves No. 69, Sec. 18(d)(7) (design for the renovation of the Brandon and Cardinal units), \$1,500,000.00 is ~~reallocated~~ reverted to defray expenditures authorized in Sec. 19 of this act.

(i) Of the amount appropriated from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments to the Department of Buildings and General Services in 2024 Acts and Resolves No. 113, Sec. B.1103(a)(9) and authorized in 2023 Acts and Resolves No. 69, Sec. 18(d)(10) (111 State Street; renovation of the stack area), \$200,000.00 is reallocated ~~reverted~~ to defray expenditures authorized in Sec. 19 of this act.

* * *

(n) Of the amount appropriated to the Vermont Veterans' Home in 2023 Acts and Resolves No. 69, Sec. 15(b)(2) (elevator upgrade), \$500,000.00 is reallocated to defray expenditures authorized in Sec. 6 of this act.

(o) Of the amount appropriated to the Enhanced 911 Board in 2017 Acts and Resolves No. 84, Sec. 6(b)(9), as added by 2018 Acts and Resolves No. 190, Sec. 5 (Enhanced 911 Compliance Grants Program), \$63,413.15 is reallocated to defray expenditures authorized in Secs. 2–16 of this act.

(p) Of the amount appropriated to the Agency of Natural Resources for the Department of Forests, Parks and Recreation in 2019 Acts and Resolves No. 42, Sec. 11(j), as added by 2020 Acts and Resolves No. 139, Sec. 7 (State-owned forest and recreational access points), \$0.03 is reallocated to defray expenditures authorized in Secs. 2–16 of this act.

(q) The following sums appropriated from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments to the Department of Buildings and General Services in 2023 Acts and Resolves No. 78, Sec. B.1105(a) are reverted to defray expenditures authorized in Sec. 19 of this act:

(1) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(1) (planning, reuse, and contingency): \$119,114.60

(2) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(6) (120 State Street renovation): \$1,000,000.00

(3) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(8) (CJTC administration building and West Cottage): \$450,000.00

(4) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(10) (DCF short-term stabilization facility): \$372,557.10

(5) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(11) (Washington County Superior Courthouse in Barre): \$750,000.00

(6) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(13) (planning and design of the Rutland Field Station): \$250,000.00

(7) of the amount authorized in 2023 Acts and Resolves No. 69, Sec. 18(c)(15) (EV charging stations): \$995,040.00

(r) Of the amount appropriated from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments to the Department of Buildings and General Services in 2024 Acts and Resolves No. 113, Sec. B.1103(a)(3) and authorized in 2023 Acts and Resolves No. 69, Sec. 18(d)(3), as amended by 2024 Acts and Resolves No. 162, Sec. 11 (120 State Street renovation), \$1,500,000.00 is reverted to defray expenditures authorized in Sec. 19 of this act.

Bonded Dollars	\$5,074,938.48	\$9,816,118.67
Cash	\$1,700,000.00	\$7,136,711.70
Total Reallocations, Reversions, and Transfers – Section 17	\$6,774,938.48	\$16,952,830.37

* * * Cash-Funded Project Authorizations * * *

Sec. 9. 2025 Acts and Resolves No. 33, Sec. 19 is amended to read:

Sec. 19. FY 2026 AND 2027; CAPITAL PROJECTS; FY 2026 AND FY 2027 APPROPRIATIONS ACT ACTS; INTENT; AUTHORIZATIONS

* * *

(b) Intent. It is the intent of the General Assembly to authorize certain capital projects eligible for funding by 32 V.S.A. § 1001b in this act but appropriate the funds for these projects in the FY 2026 and FY 2027 Appropriations Act Acts. It is also the intent of the General Assembly that the FY 2026 and FY 2027 Appropriations Act appropriate Acts transfer funds to the Fund established in 32 V.S.A. § 1001b for projects in FY 2026 and FY 2027.

(c) Authorizations; Capital Infrastructure subaccount. In FY 2026, spending authority for the following capital projects from the Capital Infrastructure subaccount of the Cash Fund for Capital and Essential Investments are authorized as follows:

* * *

(7) to the Vermont Veterans' Home for the design and construction of the American unit and sprinkler system installation: \$1,500,000.00

* * *

(f) Authorizations; Capital Infrastructure subaccount. In FY 2027, spending authority for the following capital projects from the Capital

Infrastructure subaccount of the Cash Fund for Capital and Essential Investments are authorized as follows:

(1) to the Department of Buildings and General Services for statewide major maintenance: \$1,781,173.60

(2) to the Department of Buildings and General Services for statewide physical security enhancements: \$225,000.00

(3) to the Department of Buildings and General Services for Asa Bloomer roof replacement: \$3,600,000.00

(4) to the Department of Buildings and General Services for Rutland multimodal garage renovation: \$900,000.00

(5) to the Department of Buildings and General Services for Burlington, 32 Cherry St. parking garage repairs: \$3,000,000.00

(6) to the Department of Buildings and General Services for the Agency of Human Services for HVAC upgrades at correctional facilities: \$1,050,000.00

(7) to the Department of Buildings and General Services for the Agency of Human Services for statewide correctional facilities security upgrades: \$225,000.00

(8) to the Department of Buildings and General Services for the Agency of Human Services for St. Johnsbury, Northeast Correctional Complex (NECC) door control system replacements: \$2,700,000.00

(9) to the Department of Buildings and General Services for the Agency of Human Services for the Northern State Correctional Facility boiler replacement: \$1,000,000.00

(10) to the Department of Buildings and General Services for the Agency of Human Services for Newport, Northern State Correctional Facility sprinkler system upgrades: \$500,000.00

(11) to the Department of Buildings and General Services for the Agency of Human Services for maintenance, replacement, and renovations at the Chittenden Regional Correctional Facility or other correctional facilities utilized in response to overcrowding for the incarcerated women's population: \$500,000.00

(12) to the Department of Buildings and General Services for the Agency of Human Services for the Department for Children and Families' youth short-term stabilization facility: \$772,557.10

(13) to the Department of Environmental Conservation for the State match for federal Drinking Water State Revolving Fund: \$2,498,000.00

(14) to the Department of Environmental Conservation for Waterbury Dam Penstock project cost overruns: \$150,000.00

(15) to the Department of Forests, Parks and Recreation for park infrastructure and rehabilitation, improvement, and three-acre rule compliance: \$400,000.00

(16) to the Department of Fish and Wildlife for dam maintenance and safety planning: \$200,000.00

(17) to the Department of Buildings and General Services for the Department of Public Safety for an Urban Search and Rescue (USAR) facility: \$500,000.00

(18) to the Judiciary for the Essex County Courthouse connector project: \$500,000.00

(19) to the Department of Buildings and General Services for the Judiciary for renovations at the White River Junction courthouse: \$1,600,000.00

(20) to the Vermont Historical Society for the replacement of a climate control unit: \$566,724.00

(21) to the Department of Corrections to work with the Agency of Digital Services to develop a plan for providing network connectivity in State correctional facilities that modernizes processes and reduces reliance on paper; improves staff efficiency and addresses workforce challenges, such as staff retention; supports real-time data-driven operations; lays the foundation for future capabilities, such as wearable technology and mobile device-supported operations; and ensures secure, compliance connectivity in key facilities, each as outlined in the *Business Transformation Project Recommendations Report* issued by the Agency: \$750,000.00

* * * Policy * * *

* * * Department of Environmental Conservation * * *

Sec. 10. 24 V.S.A. § 4752 is amended to read:

§ 4752. DEFINITIONS

As used in this chapter:

* * *

(21) “Eligible mobile home park water system” means a privately owned nonprofit community type system that serves a majority of the users who reside in a nonprofit- or resident-owned mobile home park registered with the Department of Housing and Community Development pursuant to 10 V.S.A. § 6254.

Sec. 11. 24 V.S.A. § 4771 is amended to read:

§ 4771. CONDITIONS OF LOAN AGREEMENT

(a) VEDA may make loans to applicants on behalf of the State for one or more of the purposes set forth in subsection 4770(b) of this title. Each such loan shall be made subject to the following conditions:

(1) The loan shall be evidenced by a note payable over a term not to exceed 30 years. Repayment shall commence not later than one year after completion of the project for which loan funds have been applied.

(2) The loan shall be secured with assets as determined by VEDA. VEDA may also require that the applicant assign all or a portion of the water system revenues as security for the loan, or may require the establishment of a reserve fund.

(3) The loan recipient shall establish a dedicated source of revenue for repayment of the loan which may include a pledge of revenue from user charges, tap fees, development charges, and pledges of accounts receivable and the proceeds therefrom.

(4) The rate of interest charged for loans shall be set by the State Treasurer, taking into consideration prevailing borrowing rates available to similarly situated applicants from private lenders and administrative fees to be charged to applicants. VEDA, in cooperation with the Secretary, shall periodically recommend interest rates to be set by the State Treasurer ~~which~~ that are the lowest practicable rates consistent with maintaining the long-term integrity of the Fund. The interest rate set by the State Treasurer may be less than the prevailing borrowing rates available to similarly situated applicants from private lenders, but not less than zero percent.

(5)(A) Notwithstanding ~~subdivision~~ subdivisions (1) and (4) of this subsection (a), a privately owned nonprofit community type system may qualify for a 40-year loan term at an interest rate, plus administrative fee, to be established by the Secretary of Natural Resources that shall be not more than three percent or less than minus three percent, provided that the applicant system meets the income level and annual household user cost requirements of a disadvantaged municipality as defined in subdivision 4752(12)(A) of this title or is an eligible mobile home park water system, and at least 80 percent of

the residential units served by the water system is continuously occupied by local residents and at least 80 percent of the water produced is for residential use.

(B) [Repealed.]

(C) If the Secretary determines that a privately owned nonprofit community type system qualifies for a loan under this subdivision (5), the Secretary shall certify the loan term and interest rate to VEDA. ~~In no instance shall the~~ Except as applied to an eligible mobile home park water system, the Secretary shall not certify an annual interest rate, plus an administrative fee, be pursuant to this subdivision (C) that is less than is necessary to achieve an annual household user cost equal to one percent of the median household income of the applicant water system computed in the same manner as prescribed in subdivision 4763c(b)(2) of this title.

* * *

* * * Division for Historic Preservation * * *

Sec. 12. 22 V.S.A. § 725 is amended to read:

§ 725. ACCEPTANCE AND SOLICITATION OF FUNDS OR GIFTS FOR HISTORIC SITES AND VERMONT ARCHAEOLOGY HERITAGE CENTER

(a) ~~With~~ Notwithstanding 3 V.S.A. § 1203g and with the approval of the Secretary of Administration, the State Historic Preservation Officer may accept and solicit grants, gifts, donations, loans, or other things of value on behalf of the Division for Historic Preservation for use by the Division for Historic Preservation in establishing and maintaining displays and exhibits at any historic site and at the Vermont Archaeology Heritage Center, or restoring any historic site maintained and developed under section 723 of this chapter.

(b) In any request for approval of solicitation under this section, the State Historic Preservation Officer shall specify the project and fundraising goal for which the Officer is undertaking fundraising.

* * * Department of Forests, Parks and Recreation * * *

Sec. 13. DEPARTMENT OF FORESTS, PARKS AND RECREATION;
LITTLE RIVER STATE PARK LEASE

(a) Notwithstanding 29 V.S.A. § 166, in fiscal year 2027, the Commissioner of Forests, Parks and Recreation is authorized to enter into a long-term lease with Vermont Huts Association Ltd. for the use of a structure at Little River State Park and the land on which the structure is located, provided that the lease specifies:

(1) the term of 20 years with an option to renew for an additional two 10-year terms at the Commissioner's discretion;

(2) the fee or fee formula to be used to compensate the State;

(3) conditions on the use of the structure, including the boundaries of the land and structure to be leased;

(4) that Vermont Huts Association Ltd. shall secure insurance and be subject to an indemnification clause consistent with Attachment C, Standard State Provisions for Contracts and Grants, approved by the Agency of Administration in Administrative Bulletin 3.5;

(5) provisions for the termination of the lease;

(6) requirements for the operation and maintenance of the leased structure and lands, including responsibility for the costs of maintenance;

(7) how any conflict between the parties shall be resolved; and

(8) that a contract between the Department and Vermont Huts Association Ltd., executed in accordance with the Standard State Provisions for Contracts and Grants set forth in Administrative Bulletin 3.5 of the Agency of Administration, be required for the relocation and reconstruction of the Goodell House located at Little River State Park.

(b) The Commissioner of Forests, Parks and Recreation shall report to the Chairs of the House Committee on Corrections and Institutions and Senate Committee on Institutions with a report on the status of the lease negotiations under this section on or before August 15, 2026, and immediately prior to execution of any related lease agreement and shall provide to the Chairs the lease agreement promptly following execution.

* * * Department of Buildings and General Services * * *

Sec. 14. SOUTHERN STATE CORRECTIONAL FACILITY; PROPERTY TRANSFER

(a) Notwithstanding 29 V.S.A. § 166, the Commissioner of Buildings and General Services is authorized to transfer to the Town of Springfield a portion of the Southern State Correctional Facility property consisting of approximately 22.93 acres to be used for municipal purposes, including economic development as an industrial parcel, provided that the Commissioner may transfer the property only if:

(1) the State obtains any State or local zoning or subdivision approvals required for transfer;

(2) the State and the Town negotiate updates to the 1999 Agreement to:

(A) establish responsibility for the maintenance and upkeep of the access road and the water and sewer service lines for the Facility and the transferred property; and

(B) mitigate impacts to the Springfield community; and

(3) the transferred property does not include any brownfields.

(b) If the Town has not begun developing the transferred property for purposes of economic development by the end of March 2030, the Town shall consult with the Commissioner of Buildings and General Services to examine alternative uses for the property.

Sec. 15. REPEALS

(a) 2024 Acts and Resolves No. 162, Sec. 23 (Southern State Correctional Facility; transfer of parcel) is repealed.

(b) Sec. 14 of this act (Southern State Correctional Facility; property transfer) is repealed on July 1, 2030.

Sec. 16. 2023 Acts and Resolves No. 69, Sec. 22(a) is amended to read:

(a)(1) 110 State Street. Notwithstanding ~~29~~ V.S.A. § 166(b), the The Commissioner of Buildings and General Services is authorized to sell the property located at 110 State Street in the City of Montpelier, provided that the Commissioner includes in any contract for sale appropriate interior and exterior protective covenants developed in consultation with the Division for Historic Preservation and the Vermont Advisory Council on Historic Preservation pursuant to 22 V.S.A. § 743. The Commissioner shall first offer in writing to the City the right to purchase the property.

(1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property on or before October 15, 2023.

(2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner not later than June 1, 2024. In the event the City fails to submit a written offer by June 1, 2024, then the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party. The Commissioner of Buildings and General Services shall provide to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions copies of any related request for proposal and any executed contract for sale of 110 State Street in the City of Montpelier promptly after each becomes available.

(3) It is the intent of the General Assembly to ensure that 110 State Street in the City of Montpelier is sold at fair market value; that historic attributes of the property are protected for future generations; that the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions receive timely notice of status updates on the disposition of the property; and that the initial purchaser of the property provides notification of any intent to sell to the Secretary of Administration and the Commissioner of Buildings and General Services, who shall then promptly notify the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions of the potential sale.

Sec. 17. CHITTENDEN REGIONAL CORRECTIONAL FACILITY

Among the uses of the funds appropriated in 2025 Acts and Resolves No. 33, Secs. 3(b)(7) and 19(f)(11), as amended by this act, the Department of Buildings and General Services shall prioritize repairs of bathrooms, showers, and flooring at the Chittenden Regional Correctional Facility. If the Department of Buildings and General Services applies funds to other correctional facilities to respond to overcrowding at the Chittenden Regional Correctional Facility, the Commissioner of Buildings and General Services and the Commissioner of Corrections shall provide an overview of the use of funds to the Joint Legislative Justice Oversight Committee at the Committee's regularly scheduled meetings in calendar year 2026.

* * * Agency of Human Services * * *

Sec. 18. HIGH-END SYSTEM FACILITIES FOR YOUTH

(a) At the August, October, and December 2026 meetings of the Joint Legislative Justice Oversight Committee, the Departments for Children and Families and of Buildings and General Services shall report on their plan to develop the Green Mountain Youth Facility.

(b) Notwithstanding any other provision of law to the contrary, before the Departments for Children and Families and of Buildings and General Services approve design documents for construction and prior to approval of the lease for the facility, the Department of Buildings and General Services shall submit their approved design to the House Committees on Corrections and Institutions and on Human Services and the Senate Committees on Institutions and on Health and Welfare. At the same time, the Department for Children and Families shall submit a draft operating budget.

* * * Department of Corrections and Agency of Digital Services * * *

Sec. 19. REPORT; NETWORK CONNECTIVITY IN STATE CORRECTIONAL FACILITIES

The Commissioner of Corrections and the State Chief Information Officer of Digital Services, in consultation with the Commissioner of Buildings and General Services, shall report to the Joint Legislative Justice Oversight Committee at each scheduled meeting of the Committee in calendar year 2026 on the plan for providing network connectivity in State correctional facilities authorized pursuant to 2025 Acts and Resolves No. 33, Sec. 19(f)(21), including any prioritization and schedule.

* * * Stormwater Utilities * * *

Sec. 20. 24 V.S.A. § 4414(9) is amended to read:

(9) Stormwater management and control. Any municipality may adopt bylaws to implement stormwater management and control consistent with the program developed by the Secretary of Natural Resources pursuant to 10 V.S.A. § 1264. The creation of a regional stormwater utility under statute or rules of the Agency of Natural Resources shall not prevent a municipality from regulating stormwater under this subdivision, including adoption by the municipality of a bylaw establishing a municipal stormwater utility. Municipalities shall not charge an impervious surface fee or other stormwater fee under this subdivision or under other provisions of this title on property regulated under the Required Agricultural Practices for discharges of agricultural waste or agricultural nonpoint source pollution.

Sec. 21. 24 V.S.A. § 3626 is added to read:

§ 3626. MUNICIPAL AUTHORITY TO AUTHORIZE AND OPERATE
STORMWATER UTILITY

The creation of a regional stormwater utility under statute or rules of the Agency of Natural Resources shall not prevent a municipality from regulating stormwater under this chapter, including adoption by the municipality of a bylaw authorizing the operation of a municipal stormwater utility that establishes an assessment on an equivalent residential unit or impervious surface.

* * * General Assembly * * *

Sec. 22. STATE HOUSE; ENTRYWAY DESIGN; SPECIAL COMMITTEE

(a) A special committee consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions (special committee) is hereby established. The special committee is authorized to meet to review, approve, or recommend alterations to the State House entryway design at a regularly scheduled Joint Legislative Management Committee meeting.

(b) The special committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

* * * Effective Date * * *

Sec. 23. EFFECTIVE DATE

This act shall take effect on passage.

*SEN. WENDY K. HARRISON
SEN. ROBERT PLUNKETT
SEN. JOHN BENSON
Committee on the part of the Senate
REP. ALICE M. EMMONS
REP. MARY A. MORRISSEY
REP. BRIAN MINIER
Committee on the part of the House*

NOTICE CALENDAR

Second Reading

Favorable

H. 957.

An act relating to approval of amendments to the charter of the Town of Williston.

Reported favorably by Senator Clarkson for the Committee on Government Operations.

(Committee vote: 5-0-0)

(No House amendments)

House Proposal of Amendment

S. 190.

An act relating to the Green Mountain Care Board, reference-based pricing, and studying the creation of a Public Employee Health Benefit Authority.

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:

* * * Reference-Based Pricing * * *

Sec. 1. 18 V.S.A. § 9376(e) is amended to read:

(e) Reference-based pricing.

(1)(A) The Board shall establish reference-based prices that represent the maximum amounts that hospitals shall accept as payment in full for items provided and services delivered in Vermont. The Board may also implement reference-based pricing for services delivered outside a hospital by setting the minimum amounts that shall be paid for items provided and services delivered by nonhospital-based health care professionals. The Board shall consult with health insurers, hospitals, other health care professionals as applicable, the Office of the Health Care Advocate, and the Agency of Human Services in developing reference-based prices pursuant to this subsection (e), including on ways to achieve all-payer alignment on the design and implementation of reference-based pricing.

(B) The Board shall utilize reference-based pricing to reduce hospital prices incrementally until they are equal to national median prices by hospital type by calendar year 2030. The Board shall use the highest quality, nonpartisan data demonstrating hospital prices as a percentage of Medicare to evaluate progress toward reducing hospital prices in Vermont to the national median.

(C) The Board shall implement reference-based pricing in a manner that does not allow health care professionals to charge or collect from patients or health insurers any amount in excess of the reference-based amount established by the Board.

* * *

(3)(A) The Board shall begin implementing reference-based pricing as soon as practicable but not later than hospital fiscal year 2027 by establishing the maximum amounts that Vermont hospitals shall accept as payment in full for items provided and services delivered. After initial implementation, the Board shall review the reference-based prices for each hospital annually as part of the hospital budget review process set forth in chapter 221, subchapter 7 of this title.

(B) The Board, in collaboration with the Department of Financial Regulation, shall monitor the implementation of reference-based pricing to ensure that any decreases in amounts paid to hospitals also result in decreases in health insurance premiums. The Board shall post its findings regarding the alignment between price decreases and premium decreases annually on its website.

(C)(i) For provider contracts entered into, amended, or renewed on or after January 1, 2028, each hospital and health insurer shall begin expressing as a percentage of Medicare or of another benchmark, if another benchmark is deemed appropriate by the Green Mountain Care Board, the

rates for items and services identified pursuant to a collaborative process between the Board and representatives of Vermont hospitals.

(ii) When making public the charges for items and services pursuant to 45 C.F.R. Part 180, each hospital shall include in its machine-readable files pricing information shown as a percentage of Medicare rates, as well as in dollars and cents, disaggregated by payer and by plan.

(iii) For purposes of subdivisions (i) and (ii) of this subdivision (3)(C), a hospital may express rates as a percentage of Medicare based on the actual reimbursement amounts the hospital receives from Medicare for items provided and services delivered to Medicare beneficiaries until such time as the Green Mountain Care Board adopts a rule establishing the methodology for determining Medicare rates for use as a benchmark in establishing reference-based prices pursuant to this subsection (e).

(D)(i) Each hospital shall apply for, obtain, and use a unique National Provider Identifier (NPI) on all claims filed after October 1, 2027, for reimbursement or payment of items provided and services delivered at an off-campus department of the hospital that is distinct from the NPI used for services delivered at the main hospital campus or at any other off-campus hospital department.

(ii) As used in this subdivision (D):

(I) “Campus” has the same meaning as in 42 C.F.R. § 413.65.

(II) “Off-campus” means a facility located more than 250 yards from the main hospital campus.

* * *

Sec. 2. LIMITATIONS ON HOSPITAL REIMBURSEMENTS FOR QUALIFIED HEALTH BENEFIT PLANS AND PLANS COVERING SCHOOL EMPLOYEES FOR HOSPITAL FISCAL YEAR 2027

(a) As used in this section:

(1) “Health benefit association” has the same meaning as in 24 V.S.A. § 4947.

(2)(A) “Medicare adjusted base rate” means the standardized Medicare payment amount for a hospital inpatient, outpatient, or professional service as determined under the Medicare program, calculated prior to the application of any hospital-specific, patient-specific, or policy-based payment adjustments and reflecting only the core payment methodology used by the Centers for

Medicare and Medicaid Services to establish baseline payment levels, which include adjustments for geographic factors such as wages.

(B) For items provided and services delivered at a critical access hospital, the Medicare adjusted base rate shall be determined under the applicable Medicare prospective payment system, using the Medicare payment methodology that would apply if the hospital were not designated as a critical access hospital.

(3) “Qualified health benefit plan” has the same meaning as in 33 V.S.A. § 1802.

(4) “Registered carrier” has the same meaning as in 33 V.S.A. § 1811.

(5) “School employee” has the same meaning as in 16 V.S.A. § 2101.

(b) Notwithstanding any provision of 18 V.S.A. § 9375(b)(1)(A) to the contrary, for hospital fiscal year 2027, the Green Mountain Care Board may order hospitals to reduce their commercial reimbursement rates for qualified health benefit plans and for health benefit plans offered to school employees by a health benefit association pursuant to 24 V.S.A. § 4947 based on a percentage of the Medicare adjusted base rate determined by the Board for each item provided and service delivered in Vermont to enrollees in these plans.

(c)(1) A registered carrier or health benefit association shall not reimburse or agree to reimburse a hospital more than the percentage of the Medicare adjusted base rate specified by the Green Mountain Care Board pursuant to subsection (b) of this section, if any, for the applicable hospital fiscal year for any item provided or service delivered in Vermont to an enrollee in a qualified health benefit plan or a health benefit plan offered to school employees by a health benefit association.

(2) In the event that a registered carrier or health benefit association reimburses a hospital for an item or service on a capitated or other non-fee-for-service basis, the carrier or association shall ensure that its reimbursement method is adjusted to account for the reimbursement limit set forth in subdivision (1) of this subsection.

(d) A hospital or hospital provider that is reimbursed in accordance with subsections (b) and (c) of this section shall not charge or collect from the patient any additional amounts other than the cost-sharing amounts authorized by the terms of the health benefit plan.

(e) To the extent that a hospital is required by the Board’s budget order to reduce its commercial reimbursement rates by amounts greater than the reductions achieved pursuant to subsection (b) of this section, the hospital shall

reduce its commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate or, if the hospital does not have any commercial reimbursement rates that exceed 500 percent of the Medicare adjusted base rate, by reducing its commercial reimbursement rates that are the highest in relation to the Medicare adjusted base rate.

(f)(1) In its reviews of premium rates in accordance with 8 V.S.A. § 4026, the Green Mountain Care Board shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for qualified health benefit plans.

(2) In its review of premium rates in accordance with 8 V.S.A. § 4026 and 24 V.S.A. chapter 121, subchapter 6, the Department of Financial Regulation shall ensure that the limitations on reimbursements established in this section are appropriately reflected in the premium rates for health benefit plans offered to school employees by a health benefit association.

Sec. 3. [Deleted.]

* * * Hospital Outsourcing * * *

Sec. 4. HOSPITAL OUTSOURCING; HOSPITAL BUDGETS;
PROVIDER TAXES; REPORT

(a) For fiscal year 2027 hospital budgets, the Green Mountain Care Board shall direct hospitals to provide such information as the Board may require regarding the clinical services that the hospital outsources to external entities.

(b) On or before January 15, 2027, the Green Mountain Care Board, after consulting with hospitals and their contracted independent providers and assessing the impact of outsourcing on access to and the quality and availability of care, shall provide findings and recommendations regarding hospital outsourcing to the House Committees on Health Care and on Ways and Means and the Senate Committees on Health and Welfare and on Finance. In addition, the Board, in collaboration with the Agency of Human Services, shall report on the extent to which hospital outsourcing affects provider tax revenue and recommend any necessary modifications to 33 V.S.A. chapter 19, subchapter 2 to appropriately reflect expenditures for patient care at Vermont hospitals.

* * * Section 1332 Waiver for Reinsurance Program * * *

Sec. 4a. REINSURANCE; AUTHORIZATION TO PURSUE SECTION
1332 WAIVER

The Department of Vermont Health Access, in consultation with the Department of Financial Regulation, is authorized to submit a State Innovation Waiver pursuant to Section 1332 of the Patient Protection and Affordable Care

Act of 2010, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, to establish a program for reinsurance and seek federal pass-through funding of amounts attributable to premium tax credits under 26 U.S.C. § 36B.

* * * Excluding Reference-Based Pricing from Scope of Health Care Professional Bargaining * * *

Sec. 5. 18 V.S.A. § 9409 is amended to read:

§ 9409. HEALTH CARE PROVIDER BARGAINING GROUPS

(a) The Green Mountain Care Board may approve the creation of one or more health care provider bargaining groups, consisting of health care providers who choose to participate. A bargaining group is authorized to negotiate on behalf of all participating providers with the Secretary of Administration, the Secretary of Human Services, the Green Mountain Care Board, or the Commissioner of Labor with respect to any matter in this chapter; chapter 13, 219, 220, or 222 of this title; 21 V.S.A. chapter 9; and 33 V.S.A. chapters 18 and 19 with respect to provider regulation, provider reimbursement, administrative simplification, information technology, workforce planning, or quality of health care.

(b) The Green Mountain Care Board shall adopt by rule criteria for forming and approving bargaining groups and criteria and procedures for negotiations authorized by this section.

(c) The rules relating to negotiations shall include a nonbinding arbitration process to assist in the resolution of disputes. Nothing in this section shall be construed to limit the authority of the Secretary of Administration, the Secretary of Human Services, the Green Mountain Care Board, or the Commissioner of Labor to reject the recommendation or decision of the arbiter.

(d) Notwithstanding any provisions of this section to the contrary, the Green Mountain Care Board shall not be required to negotiate with a provider bargaining group or engage in a nonbinding arbitration process in connection with the Board's establishment of reference-based prices in accordance with subdivision 9375(b)(1)(A), subdivision 9375(b)(5), or section 9376 of this title.

* * * Appeals of Green Mountain Care Board Orders * * *

Sec. 6. 18 V.S.A. § 9381 is amended to read:

§ 9381. APPEALS

(a) ~~The Green Mountain Care Board shall adopt procedures for administrative appeals of its actions, orders, or other determinations. Such procedures shall~~ that provide for the issuance of a final order and for the creation of a record sufficient to serve as the basis for judicial review of the Board's final actions, orders, and other determinations pursuant to subsection (b) of this section.

(b) Any person aggrieved by a final action, order, or other determination of the Green Mountain Care Board may, ~~upon exhaustion of all administrative appeals available pursuant to subsection (a) of this section,~~ appeal to the Supreme Court pursuant to the Vermont Rules of Appellate Procedure.

* * *

* * * Data Infrastructure * * *

Sec. 7. 18 V.S.A. § 9411 is amended to read:

.§ 9411. INTERACTIVE PRICE TRANSPARENCY DASHBOARD AND HEALTH SYSTEM PERFORMANCE TOOL

(a)(1) The Green Mountain Care Board shall develop and maintain a public, interactive, ~~Internet-based~~ internet-based price transparency dashboard that allows consumers to compare health care prices for certain health care services across the State. Using data from the Vermont Healthcare Claims Uniform Reporting and Evaluation System (VHCURES) established pursuant to section 9410 of this title, the dashboard shall provide the range of actual allowed amounts for selected health care services, showing both the amount paid by the health insurer or other payer and the amount of the member's responsibility, and shall allow the consumer to sort the information by geographic location, by health care provider, by payer type, and by the specific health care procedure or health care service. The Board shall provide a link on the dashboard to the statewide comparative hospital quality report published by the Commissioner of Health pursuant to section 9405b of this title.

(b)(2) The Board shall update the information in the interactive price transparency dashboard at least annually.

(b)(1) The Board shall develop and maintain a public, interactive tool that displays information on health system performance, including information regarding quality, access, and affordability.

(2) The Board shall update the information in the health system performance tool on a regular basis, to the extent operationally feasible.

Sec. 8. IMPLEMENTATION OF HEALTH SYSTEM PERFORMANCE TOOL

The Green Mountain Care Board shall develop the health system performance tool described in 18 V.S.A. § 9411(b), as added by Sec. 8 of this act, only if the Board receives sufficient funding from the federal government or another source for this purpose.

* * * Critical Access Hospitals; Medicare Outpatient Cost Sharing * * *

Sec. 9. CRITICAL ACCESS HOSPITALS; MEDICARE OUTPATIENT COST SHARING

(a) The General Assembly and the Green Mountain Care Board have recently become aware of a federal requirement that Medicare beneficiaries must bear financial responsibility for 20 percent of the amount charged for outpatient services delivered by critical access hospitals, not 20 percent of the amount that Medicare pays for the service. While the General Assembly understands that it cannot invalidate this federal requirement, it also recognizes both that this requirement has a significant, unfair, and negative financial impact on Medicare beneficiaries in the State's most rural communities and that Vermont's critical access hospitals are some of the State's most financially vulnerable health care facilities. It is the intent of this section to provide information to Vermont's seniors and other Medicare beneficiaries about the federal requirement while a working group of interested stakeholders endeavors to develop appropriate and enduring solutions that do not undermine the financial sustainability of our critical access hospitals and that comply with federal law.

(b) On or before September 1, 2026, each critical access hospital shall do all of the following:

(1) Identify all the outpatient services for which the amount that the hospital charges equals five or more times the Medicare allowed amount for that service.

(2) Post prominently on its website and in outpatient departments of the hospital a disclosure about the federal requirement that Medicare beneficiaries must pay 20 percent of the charge for outpatient services at critical access hospitals, that Medicare beneficiaries may be able to receive care with reduced out-of-pocket costs from other providers, and how to contact the hospital's patient financial assistance department for more information. The hospital shall file its proposed disclosure materials with the Green Mountain Care Board for the Board's approval prior to posting.

(c) To the extent that the Green Mountain Care Board engages in efforts to address the Medicare outpatient cost-sharing issue in hospital fiscal year 2027, the Board shall consider any proposals from the critical access hospitals and

other interested stakeholders and shall ensure that its actions are consistent with ongoing hospital transformation efforts and the principles for health care reform expressed in 18 V.S.A. § 9371.

* * * Effective Date * * *

Sec. 10. 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 reference-based pricing and the Green Mountain Care Board”

S. 323.

An act relating to miscellaneous agricultural subjects.

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:

* * * Milk Producers * * *

Sec. 1. 6 V.S.A. § 2752 is amended to read:

§ 2752. REFUSAL TO PURCHASE; HEARING; SECRETARY’S ORDER

(a) A handler doing business in this State who has a contract either verbal or written with a producer residing in this State for the purchase of the producer’s dairy products shall not refuse to purchase them from the producer except for violations of the sanitary rules or standards applicable to the market in which the dairy product is sold or marketed, without being deemed guilty of unfair discrimination. In the event that the refusal is to be based upon reasons of oversupply or other reasonable grounds, the refusal shall not become operative until the purchaser has given the producer at least 90 days’ notice of intention to refuse the producer’s product on these grounds, which shall be particularly set forth in writing so that the producer may be fully appraised of the refusal.

(b) If the producer desires to question the existence or validity of such grounds of refusal, ~~he or she~~ the producer may do so within 90 days after receiving the notice or refusal by requesting the Secretary of Agriculture, Food and Markets for a hearing, and the Secretary is hereby given jurisdiction to hear and determine the question. The producer shall make complaints of such contemplated refusal in writing to the Secretary, setting forth the substance of the refusal notice and requesting to be heard thereon. The Secretary shall then notify both the producer and the purchaser in writing, sent to them by registered mail, of the time and place of hearing thereon. The time of the hearing shall not be less than 10 nor more than 30 days from the date of the

notice. Hearing shall be informal. Both parties shall have an opportunity to produce evidence.

* * *

(d) If a request for a hearing is made by a ~~purchaser~~ producer, refusal of the purchaser shall not become operative until hearing and decision in the purchaser's favor by the Secretary.

* * *

* * * Farm-to-School Program Contracts * * *

Sec. 2. 6 V.S.A. § 4721 is amended to read:

§ 4721. LOCAL FOODS ~~GRANT~~ PROGRAM

(a) There is created in the Agency of Agriculture, Food and Markets the Roza McLaughlin Farm-to-School Program to execute, administer, and ~~award~~ provide local grants or contracts for the purpose of helping Vermont schools develop farm-to-school programs that will sustain relationships with local farmers and producers, enrich the educational experience of students, improve the health of Vermont children, and enhance Vermont's agricultural economy.

(b) A school, a school district, a consortium of schools, a consortium of school districts, a registered or licensed child care provider, or an organization administering or assisting the development of farm-to-school programs may apply to the Secretary of Agriculture, Food and Markets for a grant ~~award~~ or contract to:

* * *

(c) The Secretaries of Agriculture, Food and Markets and of Education and the Commissioner of Health, in consultation with farmers, child nutrition staff, educators, organizations administering or assisting the development of farm-to-school programs, and farm-to-school technical service providers, jointly shall adopt procedures relating to the content of the grant ~~application~~ applications or contract bids and the criteria for making awards.

* * *

(e) No ~~award~~ individual grant or contract shall be greater than 20 percent of the total annual ~~amount~~ funds available for ~~granting~~ except that a ~~grant~~ an award to the following entities may, at the discretion of the Secretary of Agriculture, Food and Markets, exceed the cap:

- (1) Farm-to-School service providers; or

(2) school districts or consortiums of school districts that completed merger under 2010 Acts and Resolves No. 153, 2012 Acts and Resolves No. 156, or 2015 Acts and Resolves No. 46 on or before July 1, 2019, provided that the ~~grant is~~ funds are used for the purpose of expanding Farm-to-School projects to additional schools within the new school district.

* * * Pest Control Compact Repeal and Pesticide Exam Requirements * * *

Sec. 3. REPEAL

6 V.S.A. chapter 83 (Pest Control Compact) is repealed on July 1, 2026.

Sec. 4. 6 V.S.A. § 1112 is amended to read:

§ 1112. LICENSING PESTICIDE APPLICATORS; PESTICIDE COMPANIES; DEALERS

(a) The Secretary may adopt rules requiring persons selling Class A and B pesticides to be licensed under this chapter. In addition, the Secretary may adopt rules requiring companies that hire applicators or conduct pesticide applications to be licensed and applicators who use pesticides to be certified under this chapter. The Secretary may establish reasonable requirements for obtaining licenses and certificates. The fees for dealers, licensed companies, and applicator certificates under this chapter shall be as follows:

(1) Class A Dealer License—\$50.00;

(2) Class B Dealer License—\$50.00;

(3) Pesticide Company License—\$75.00;

(4) Commercial and Noncommercial, and Government Applicator Certification fee—\$30.00 per category or subcategory with a maximum of \$120.00;

(5) ~~second and third time examination~~ Examination fee for dealer licenses and applicator certification—\$25.00; and

(6) Private Applicator—\$25.00; ~~and~~

(7) ~~State Government, Municipal, and Public Education Institution~~ Applicators—\$30.00.

* * *

(e) There shall be no limitation on the frequency for retaking examinations for private, commercial, noncommercial, or government applicator certifications or dealer licenses.

* * * Seed Law Changes * * *

Sec. 5. 6 V.S.A. § 641 is amended to read:

§ 641. DEFINITIONS

(a) As used in this chapter:

(1) “Agricultural seed” includes grass, forage, cereal, oil, fiber, and other kinds of crop seeds commonly recognized as agricultural seeds, lawn seeds, and combinations of such seeds, and may include noxious weed seeds used as agricultural seed.

(2) “Secretary” means the Secretary of Agriculture, Food and Markets or ~~his or her~~ the Secretary’s designee.

(3) “Agency” means the Agency of Agriculture, Food and Markets.

(4) “Flower seed” includes seed of herbaceous plants grown for their blooms, ornamental foliage, or other ornamental parts and commonly known and sold under the name of flower or wildflower seed in this State.

* * *

Sec. 6. 6 V.S.A. § 644 is amended to read:

§ 644. LABEL REQUIREMENTS FOR AGRICULTURAL, FLOWER, AND VEGETABLE SEEDS

(a) Each container of agricultural, flower, and vegetable seeds that is sold in this State for sowing purposes shall be labeled.

(1) All labels shall include:

* * *

(5) All bins and other bulk displays of agricultural, flower, grass, and vegetable seeds, or mixtures of the described seeds, shall be labeled with the same information that is required to be on containers of agricultural, flower, or vegetable seeds as applicable.

* * *

Sec. 7. 6 V.S.A. § 647 is amended to read:

§ 647. ADMINISTRATIVE PENALTIES

(a) The Secretary may assess administrative penalties, not to exceed \$250.00 for each offense, in any case ~~he or she~~ the Secretary determines that a person has committed any of the following violations:

- (1) ~~sold seed products without paying the seed inspection fees for hundredweight tonnage or seed registration fee under section 648 of this title;~~
- (2) ~~sold seed products within the State of Vermont found deficient in guarantee analysis and labeling as defined by rule; or~~
- (3) ~~violated a stop sale order.~~

* * *

* * * Consolidate VACP within VEDA * * *

Sec. 8. TRANSFER OF VERMONT AGRICULTURAL CREDIT PROGRAM

10 V.S.A. chapter 16A (Vermont Agricultural Credit Program) is repealed for the purpose of redesignation as 10 V.S.A. chapter 12, subchapter 16.

Sec. 9. 10 V.S.A. chapter 12, subchapter 16 is added to read:

Subchapter 16. Vermont Agricultural Credit Program

§ 280hh. DEFINITIONS

As used in this subchapter:

(1) “Agricultural facility” means land and rights in land, buildings, structures, machinery, and equipment that is used for, or will be used for, producing, processing, preparing, packaging, storing, distributing, marketing, or transporting agricultural or forest products that have been at least partially produced in this State, and working capital reasonably required to operate an agricultural facility.

(2) “Agricultural land” means real estate capable of supporting commercial farming or forestry, or both.

(3) “Agricultural products” means crops, livestock, forest products, and other farm or forest commodities produced as a result of farming or forestry activities.

(4) “Authority” means the Vermont Economic Development Authority established under section 213 of this title.

(5) “Cash flow” means, on an annual basis, all income, receipts, and revenues of the applicant or borrower from all sources and all expenses of the applicant or borrower, including all debt service and other expenses.

(6) “Farm operation” means the cultivation of land or other uses of land for the production of food, fiber, horticultural crops, silvicultural products, orchard crops, maple syrup, Christmas trees, forest products, or forest crops; the raising, boarding, and training of equines, and the raising of livestock; or

any combination of the foregoing activities. “Farm operation” also means the storage, preparation, retail sale, and transportation of agricultural or forest commodities accessory to the cultivation or use of such land. “Farm operation” also means the operation of an agritourism business on a farm subject to regulation under the Required Agricultural Practices. “Farm operation” also means a business that provides specialty services to farmers, such as foresters, farriers, hoof trimmers, or large animal veterinarians operating or proposing to operate mobile units.

(7) “Farm ownership loan” means a loan to acquire or enlarge a farm or agricultural facility; to make capital improvements, including construction, purchase, and improvement of farm and agricultural facility buildings, farm worker housing, or farmer housing that can be made fixtures to the real estate; to promote soil and water conservation and protection or provide housing; and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(8) “Farmer” means an individual directly engaged in the management or operation of an agricultural facility or farm operation for whom the agricultural facility or farm operation constitutes two or more of the following:

(A) is or is expected to become a significant source of the farmer’s income;

(B) the majority of the farmer’s assets; and

(C) an occupation in which the farmer is actively engaged, either on a seasonal or year-round basis.

(9) “Forest products business” means an enterprise that is engaged in managing, harvesting, trucking, processing, manufacturing, crafting, or distributing forest products at least partially derived from Vermont forests.

(10) “Livestock” includes cattle, sheep, goats, equines, fallow deer, red deer, reindeer, American bison, swine, poultry, pheasant, chukar partridge, coturnix quail, ferrets, camelids and ratites, cultured trout propagated by commercial trout farms, and bees.

(11) “Loan” means an operating loan or farm ownership loan, including a financing lease, provided that such lease transfers the ownership of the leased property to each lessee following the payment of all required lease payments as specified in each lease agreement.

(12) “Operating loan” means a loan to purchase livestock, farm or forestry equipment, or fixtures to pay annual operating expenses of a farm operation or agricultural facility; to pay loan closing costs; and to refinance indebtedness incurred for farm ownership or operating loan purposes, or both.

(13) “Program” means the Vermont Agricultural Credit Program established by this subchapter.

(14) “Project” or “agricultural project” means the creation, establishment, acquisition, construction, expansion, improvement, strengthening, reclamation, operation, or renovation of an agricultural facility or farm operation.

§ 280ii. VERMONT AGRICULTURAL CREDIT PROGRAM

(a) The Vermont Agricultural Credit Program provides an alternative source of sound and constructive credit to farmers and forest products businesses who are not having their credit needs fully met by conventional agricultural credit sources at reasonable rates and terms; or, in the alternative, the granting of the loan shall serve as a substantial inducement for the establishment or expansion of an eligible agricultural or forestry project within the State. The Program is intended to meet, either in whole or in part, the credit needs of eligible agricultural facilities and farm and forest operations in fulfillment of one or more of the purposes listed in this subsection by making direct loans and participating in loans made by other agricultural credit providers:

(1) to encourage diversification, cooperative farming, and the development of innovative techniques for farming and forest products businesses;

(2) to increase energy efficiency and reduce energy consumption in agricultural facilities, including the construction of water pollution control facilities that implement best management practices for farm waste abatement pursuant to 6 V.S.A. chapter 215;

(3) to encourage innovative and diversified processing, marketing, and distribution of Vermont agricultural products;

(4) to assist beginning farmers to start new farms and new agricultural facilities to commence or strengthen their operations;

(5) to assist or financially strengthen existing farms; and

(6) to refinance loans incurred by eligible borrowers for any of the purposes enumerated in subdivisions (1)–(5) of this subsection.

(b) No borrower shall be approved for a loan from the Authority that would result in the aggregate principal balances outstanding of all loans to that borrower exceeding \$5,000,000.00.

§ 280jj. GENERAL POWERS

(a) The Authority shall have the powers necessary to carry out the purposes and provisions of this Program and subchapter, including those general powers conferred on the Authority in section 216 of this title.

(b) The Authority shall have the powers necessary to dissolve the Vermont Agricultural Credit Corporation in accordance with 11B V.S.A. chapter 14. Upon dissolution of the Vermont Agricultural Credit Corporation, title to all property owned by the Vermont Agricultural Credit Corporation shall vest in the Authority.

§ 280kk. LOAN ELIGIBILITY STANDARDS

A farmer, forest products business, or a limited liability company, partnership, corporation, or other business entity with a minimum 20 percent ownership of which is vested in one or more farmers, forest products businesses, or a nonprofit corporation, shall be eligible to apply for a farm ownership or operating loan that shall be intended to expand the agricultural economy or forest economy of the State, provided the applicant is:

(1) an owner, prospective purchaser, or lessee of agricultural land in the State or of depreciable machinery, equipment, or livestock to be used in the State;

(2) a person of sufficient education, training, or experience in the operation and management of an agricultural facility or farm operation or forest products business of the type for which the applicant requests the loan;

(3) an operator or proposed operator of an agricultural facility, farm operation, or forest products business for whom the loan reduces investment costs to an extent that offers the applicant a reasonable chance to succeed in the operation and management of an agricultural facility or farm operation;

(4) a creditworthy person under such standards as the Authority may establish;

(5) able to provide and maintain adequate security for the loan by a mortgage on real property or a security agreement and perfected financing statement on personal property;

(6) able to demonstrate that the applicant is responsible and able to manage responsibilities as owner or operator of the farm operation, agricultural facility, or forest products business;

(7) able to demonstrate that the applicant has made adequate provision for insurance protection of the mortgaged or secured property while the loan is outstanding;

(8) a person who possesses the legal capacity to incur loan obligations;

(9) in compliance with such other reasonable eligibility standards as the Authority may establish;

(10) able to demonstrate that the project plans comply with all regulations of the municipality where it is to be located and of the State of Vermont;

(11) able to demonstrate that the making of the loan will be of public use and benefit;

(12) able to demonstrate that the proposed loan will be adequately secured by a mortgage on real property or by a security agreement on personal property; and

(13) able to demonstrate that there will be sufficient projected cash flow to service a reasonable level of debt, including the loan or loans, being considered by the Authority.

Sec. 10. 10 V.S.A. § 211(c) is amended to read:

(c) Therefore, the general public advantage requires:

* * *

(7) low-cost capital to assist Vermont family farmers to farm as provided in subdivision 272(3) of this title;

* * *

Sec. 11. 10 V.S.A. § 212 is amended to read:

§ 212. DEFINITIONS

As used in this chapter, with the exception of subchapter 16:

* * *

Sec. 12. 10 V.S.A. § 216 is amended to read:

§ 216. AUTHORITY; GENERAL POWERS

The Authority is hereby authorized:

* * *

(17) To contribute to the capital of the Vermont Agricultural Credit Corporation Program established pursuant to ~~chapter 16A~~ subchapter 16 of this title chapter in an amount the Authority determines is necessary and appropriate.

* * *

Sec. 13. 10 V.S.A. § 220a is amended to read:

§ 220a. THE VERMONT JOBS FUND

(a) There is hereby created the Vermont Jobs Fund, hereinafter called the Fund, which shall be used by the Authority as a nonlapsing fund for the purposes of this chapter. To it shall be charged all operating expenses of the Authority not otherwise provided for and all payments of interest and principal required to be made by the Authority under this subchapter. To it shall be credited any appropriations made by the General Assembly for the purposes of this chapter and all payments required to be made to the Authority under this chapter, it being the intent of this section that the Fund shall operate as a revolving fund whereby all appropriations and payments made thereto may be applied and reapplied for the purposes of this chapter. Monies in the Fund may be loaned at interest rates to be set by the Authority for the following:

* * *

~~(b) Monies in the Fund may be loaned to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title at interest rates and on terms and conditions to be set by the Authority to establish a line of credit in an amount not to exceed \$100,000,000.00 to be advanced to the Vermont Agricultural Credit Program to support its lending operations as established in chapter 16A of this title.~~

~~(e)(b)~~ Monies in the Fund may be loaned to the Vermont Small Business Development Corporation to support its lending operations as established pursuant to subdivision 216(14) of this title at interest rates and on terms and conditions to be set by the Authority.

~~(d)(c)~~ Monies in the Fund may be loaned to the Vermont 504 Corporation to support its lending operations as established pursuant to subdivision 216(13) of this title at interest rates and on terms and conditions to be set by the Authority.

~~(e)(d)~~ The Authority may loan money from the Fund to the Vermont Sustainable Energy Loan Fund established under subchapter 13 of this chapter at interest rates and on terms and conditions set by the Authority.

Sec. 14. 10 V.S.A. § 280a is amended to read:

§ 280a. ELIGIBLE PROJECTS; AUTHORIZED FINANCING PROGRAMS

(a) The Authority may develop, modify, and implement any existing or new financing program, provided that any specific project that benefits from such program shall meet the criteria contained in the Vermont Sustainable Jobs Strategy outlined in section 280b of this title. These programs may include:

* * *

(12) loans to agricultural enterprises or endeavors administered by the Authority under ~~chapter 16A~~ subchapter 16 of this ~~title chapter~~ and any programs created thereunder.

* * *

* * * Hemp Oversight * * *

Sec. 15. TRANSITION OF HEMP PROCESSOR OVERSIGHT

6 V.S.A. chapter 34 (hemp) is repealed.

Sec. 16. 7 V.S.A. chapter 31, subchapter 3 is added to read:

Subchapter 3. Hemp

§ 851. FINDINGS; PURPOSE

(a) Findings. The General Assembly finds that the federal legal status of most hemp products will be contingent upon an amendment to 7 U.S.C. § 1639o, to take effect in November 2026, pursuant to the Continuing Appropriations, Agriculture, Legislative Branch, Military Construction and Veterans Affairs, and Extensions Act of 2026, Pub. L. No. 119-37. The legality of hemp and hemp products in interstate commerce is unsettled and continues to evolve.

(b) Purpose. The purpose of this subchapter is to unify oversight of cannabis and hemp-derived cannabinoids under the Cannabis Control Board to more effectively prohibit illicit cannabis and cannabis product trade while positioning growers and processors of nonintoxicating hemp products to take advantage of national market opportunities that may exist. The purpose of this subchapter is also to support small-business hemp producers and processors in taking advantage of opportunities for the cultivation and sale of hemp and hemp products.

§ 852. DEFINITIONS

As used in this subchapter:

(1)(A) “Grow” means:

(i) planting, cultivating, harvesting, or drying of hemp; and

(ii) selling, storing, and transporting of hemp grown by a grower.

(B) “Grow” also means to produce.

(2) “Grower” means a person who is registered with the Board and the U.S. Department of Agriculture to produce hemp. “Grower” also means producer.

(3) “Hemp” means the plant Cannabis sativa L. and any part of the plant, including the seeds and all derivatives, extracts, cannabinoids, acids, salts, isomers, and salts of isomers, whether growing or not, with the federally defined tetrahydrocannabinol concentration level of hemp. Hemp is considered an agricultural commodity.

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

(B) Notwithstanding subdivision (A) of this subdivision (4), “hemp product” and “hemp-infused product” do not include any substance, manufacturing intermediary, or product that:

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

(ii) is not lawful in interstate commerce.

(C) A hemp-derived product or substance that is excluded from the definition of “hemp product” or “hemp-infused product” pursuant to subdivision (B) of this subdivision (4) is considered a cannabis product as defined by subdivision 831(3) of this title; provided, however, that a person duly licensed or registered by the Board lawfully may possess such products in conformity with the person’s active hemp processor license.

(5) “Process” means the storing, drying, trimming, handling, compounding, or converting of hemp by a processor for a single grower or multiple growers into hemp products or hemp-infused products. “Process” includes:

(A) transporting, aggregating, or packaging hemp from a single grower or multiple growers; or

(B) manufacturing hemp products or hemp-infused products from hemp concentrate.

(6) “Processor” means a person who is licensed by the Board to process hemp. A retail establishment selling hemp products or hemp-infused products is not a processor.

§ 853. HEMP; AN AGRICULTURAL PRODUCT

(a) Hemp is an agricultural product that may be grown as a crop produced, possessed, marketed, and commercially traded in Vermont pursuant to the provisions of this chapter and administrative rules of the Cannabis Control Board.

(b) The cultivation of hemp shall be subject to and comply with the Required Agricultural Practices adopted under 6 V.S.A. § 4810, as amended.

§ 854. HEMP REGISTRATION AND LICENSURE

(a) Producers. All persons engaged in the production of hemp shall register with the Board as growers and shall provide their location, the nature of their activities, and evidence that those activities conform to the requirements of federal law and regulation. A person shall apply for registration or renewal of registration on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(b) Processors. All persons engaged in the processing of hemp, including trade in hemp-derived cannabinoids and process intermediaries, shall be licensed by the Board. A person shall apply for a license or renewal of a license on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(c) Products. All hemp-derived products containing or reasonably expected to contain more than 0.4 mg tetrahydrocannabinol shall be registered with the Board prior to sale to any person within this State. A person shall apply for registration or renewal of registration on a form provided by the Board. The application shall be accompanied by the fee required under section 858 of this subchapter.

(d) All applicants. The Board may deny an application for licensure, registration, or renewal if the applicant:

- (1) fails to establish that its activities comply with State and federal law;
- (2) refuses the Board or its lawful designees entry upon its premises to inspect and confirm compliance, including by sampling hemp and hemp products for potency testing;
- (3) fails to submit information requested by the Board; or

(4) fails to submit the fee required under section 858 of this subchapter.

§ 855. RULEMAKING AUTHORITY

(a) The Board may adopt rules to provide for the implementation of this subchapter, which may include rules to:

(1) require hemp to be tested during growth for tetrahydrocannabinol levels;

(2) authorize or specify the method or methods of testing hemp, including, where appropriate, the ratio of cannabidiol to tetrahydrocannabinol levels or a taxonomic determination using genetic testing;

(3) require inspection and supervision of hemp during sowing, growing season, harvest, storage, processing, and distribution;

(4) require labels or label information for hemp products in order to provide consumers with transparent and accurate product content or source information, to be free of false or misleading claims and claims contrary to the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. §§ 301–399i, or to conform with federal requirements;

(5) establish sanitary requirements for licensed processing facilities;

(6) establish registration requirements for hemp-derived products sold or distributed in the State, including requirements that each product be sampled and tested by a laboratory recognized by the Board;

(7) require disclosure or labeling of the amount of cannabinoids known to be present in hemp products sold or distributed in the State;

(8) require that licensees and registrants, including out-of-state purveyors of registered hemp products, obtain and maintain commercially reasonable insurance, which for producers of consumer products in final form shall include product liability insurance;

(9) prohibit hazardous additives to hemp products, or specify additive limits, relative to substances that are toxic, not generally recognized as safe, or designed to make the product more addictive or more appealing to persons under 21 years of age or to mislead consumers;

(10) specify when a registered hemp product that contains more than 0.4 mg tetrahydrocannabinol must be restricted for sale to persons 21 years of age or older or restricted for sale in specified settings, or both;

(11) define “craft processors” as a class of small businesses with different needs and risks and exempt craft processor licensees from the

requirements of this subchapter that the Board finds to be unnecessary to protect the public health, safety, and welfare;

(12) waive or reduce licensing fees for craft processor applicants pursuant to rule or readily accessible policy;

(13) exempt certain product categories from the requirement to register under this chapter;

(14) establish requirements for the consumer sale of any product containing tetrahydrocannabinol or other cannabinoids; or

(15) prohibit any person from making false, misleading, or unsubstantiated claims for cannabinoid-containing products.

(b) The Board shall adopt rules to:

(1) establish requirements for the licensure of processors of hemp, hemp-derived process intermediaries, and hemp products; and

(2) regulate the use of processing facilities and equipment to permit processors to use the same equipment for hemp and cannabis processing and to prevent cross contamination between hemp and cannabis.

§ 856. TEST RESULTS; ENFORCEMENT

(a) When notified that hemp, a hemp product, or a hemp-infused product has a tetrahydrocannabinol concentration exceeding the applicable federally defined tetrahydrocannabinol concentration level of hemp, the person licensed or registered with the Board to grow or process the hemp shall arrange for disposal, remediation, or destruction of the hemp, hemp product, or hemp-infused product in a manner consistent with applicable State and federal law.

(b) To enforce the provisions of this subchapter, the Board, upon presenting appropriate credentials, may conduct one or more of the following:

(1) Enter upon any premises where hemp is grown or processed and inspect premises, machinery, equipment and facilities, all hemp during any growth phase, or any hemp product or hemp-infused product during processing or storage. Inspection under this section may include taking samples, inspecting records, and inspecting equipment or vehicles used to grow, process, or transport hemp, hemp products, or hemp-infused products.

(2) Inspect any retail location offering hemp products or hemp-infused products. Inspection under this section may include taking samples of such products.

(3) Issue and enforce a written or printed “stop sale” order to the owner or custodian of any hemp, hemp product, or hemp-infused product subject to

the requirements of this subchapter or rules adopted under this subchapter that the Board finds is in violation of any of the provisions of this subchapter or rules adopted under this subchapter. An order may prohibit further sale, processing, and movement of the hemp, hemp product, or hemp-infused product until the Board has approved and issued a release from the “stop sale” order.

(A) This order shall include the reason for issuance, a description of the hemp or hemp products at issue, instructions to separate all hemp or hemp products subject to the order, and any recommended measures to remedy the basis or bases for the order.

(B) A person issued a “stop sale” order may appeal that order to the Board within 15 days after receipt. The person shall file any appeal by serving a letter on the Board, which shall state all grounds for the appeal and identify the hemp or hemp products affected by the appeal.

§ 857. ADMINISTRATIVE PENALTIES

(a) The Board may assess violations and administrative penalties against persons licensed or registered pursuant to this subchapter, as well as persons required to be licensed or registered pursuant to this subchapter who fail to obtain or maintain required credentials.

(b) The compliance and enforcement authorities and procedures applicable to cannabis establishments shall apply to persons licensed or registered under this subchapter.

(c) The Board may enforce a final administrative penalty by filing a civil collection action in any Superior Court.

§ 858. FEES

(a) The following fees shall apply to each license or registration application or each annual license or registration renewal under this subchapter:

(1) Producer: \$50.00.

(2) Processor: \$500.00.

(3) Product: \$75.00.

(b) Notwithstanding subsection (a) of this section, the Board may issue longer registrations, prorated at the same cost per year, for products it deems low risk and shelf-stable. The products may be defined and distinguished in readily accessible published guidance.

Sec. 16a. HEMP FEES REPORTING

On or before January 15, 2027, the Cannabis Control Board shall submit to the House Committees on Agriculture, Food Resiliency, and Forestry, on Ways and Means, and on Government Operations and Military Affairs and the Senate Committees on Agriculture, on Finance, and on Economic Development, Housing and General Affairs a report that includes the following information:

(1) a summary of all hemp fees in effect in fiscal year 2027, including any waivers, reductions, or alterations to the hemp fee schedule as set forth in 7 V.S.A. § 858;

(2) a summary of the revenue derived from each fee in fiscal year 2026;

(3) a comparison of fees in other jurisdictions;

(4) an analysis of policies or trends that might affect the viability of the fee amount; and

(5) a recommendation regarding how the hemp fee schedule as set forth in 7 V.S.A. § 858 may be adjusted to better promote the intent of the General Assembly to better support small-business hemp producers and processors.

Sec. 16a. HEMP FEES REPORTING

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(3) a comparison of fees in other jurisdictions;

(4) an analysis of policies or trends that might affect the viability of the fee amount; and

(5) a recommendation regarding how the hemp fee schedule as set forth in 7 V.S.A. § 858 may be adjusted to better promote the intent of the General Assembly to better support small-business hemp producers and processors.

Sec. 16b. REPEAL

7 V.S.A. § 855(a)(12) (waiving or reducing licensing fees for craft processors) is repealed on January 1, 2028.

Sec. 17. 18 V.S.A. § 4201(15) is amended to read:

(15)(A) “Cannabis” means all parts of the plant *Cannabis sativa* L., except as provided by subdivision (B) of this subdivision (15), whether growing or harvested, and includes:

- (i) the seeds of the plant;
- (ii) the resin extracted from any part of the plant; and
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds, or resin.

(B) “Cannabis” does not include:

- (i) the mature stalks of the plant and fiber produced from the stalks;
- (ii) oil or cake made from the seeds of the plant;
- (iii) any compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks, fiber, oil, or cake;
- (iv) the sterilized seed of the plant that is incapable of germination; or
- (v) hemp or hemp products, as defined in ~~6 V.S.A. § 562~~ 7 V.S.A. § 852.

Sec. 18. 32 V.S.A. § 7811(b) is amended to read:

(b) The tax established in this section shall not be imposed on:

- (1) cannabis-related supplies sold by a dispensary registered under 7 V.S.A. chapter 37 to registered patients and registered caregivers, as those terms are defined in 7 V.S.A. § 972;
- (2) cannabis products, as defined in 7 V.S.A. § 831, that do not contain tobacco; or
- (3) hemp or hemp products, as defined in ~~6 V.S.A. § 562~~ 7 V.S.A. § 852, that do not contain tobacco.

Sec. 19. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

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

(b) The Fund shall be composed of:

(1) all State application fees, annual license fees, renewal fees, and civil penalties collected by the Board pursuant to ~~chapters~~ chapter 31 (cannabis); chapter 33 (cannabis establishments); and chapter 37 (medical cannabis dispensaries) of this title;

* * *

Sec. 20. 7 V.S.A. § 834 is added to read:

§ 834. SALES RESTRICTIONS

(a) As used in this section, “unregistered hemp” or “unregistered cannabis” means a product required by State law or rule of the Cannabis Control Board to be registered with the Cannabis Control Board, including a product derived from the unregistered hemp or unregistered cannabis, that is not registered on the date a transaction occurs.

(b) No person shall cause unregistered hemp or unregistered cannabis purchased by mail or through a computer network, telephonic network, or other electronic network to be shipped to anyone other than a licensed cannabis laboratory in this State.

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

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

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

(2) In addition to or in lieu of any other civil or criminal remedy provided by law, upon a determination that a person has violated this section, the Attorney General may impose a civil penalty in an amount not to exceed \$5,000.00 for each violation. For purposes of this subsection, each shipment or transport of unregistered hemp or unregistered cannabis shall constitute a separate violation.

(3) The Attorney General may seek an injunction to restrain a threatened or actual violation of this section.

(4) In any action brought pursuant to this section, the State shall be entitled to recover the costs of investigation, expert witness fees, the action, and reasonable attorney's fees.

(5) A person who violates this section engages in an unfair and deceptive trade practice in violation of the State's Consumer Protection Act, 9 V.S.A. §§ 2451 et seq.

(6) If a court determines that a person has violated the provisions of this section, the court shall order any profits, gain, gross receipts, or other benefit from the violation to be disgorged and paid to the State Treasurer for deposit in the General Fund.

(7) Unless otherwise expressly provided, the penalties or remedies, or both, under this section are in addition to any other penalties and remedies available under any other law of this State.

* * * Natural Resources Conservation Council Mortgages * * *

Sec. 21. 10 V.S.A. § 723 is amended to read:

§ 723. POWERS OF SUPERVISORS

The supervisors shall have the following powers:

* * *

(5) To obtain options upon and to acquire by purchase, exchange, lease, gift, grant, or bequest, any property, real or personal; to maintain, administer and improve any properties acquired; to receive income from the properties and to expend the income in carrying out the purposes and provisions of this chapter; and to borrow money, mortgage, sell, lease, or otherwise dispose of any of its property or interests in property in furtherance of the purposes and the provisions of this chapter, ~~provided however, that real estate shall not be mortgaged, and provided however, that the sale, lease, or other disposition of real property of the district is approved by the written consent of the governor;~~

* * *

* * * CAFO Permit Working Group * * *

Sec. 22. 10 V.S.A. § 1354 is added to read:

§ 1354. CONCENTRATED ANIMAL FEEDING OPERATION PERMIT PROGRAM WORKING GROUP

(a) Creation. The Secretary of Natural Resources, in coordination with the Secretary of Agriculture, Food and Markets, shall convene a working group of interested parties to provide advice and recommendations on the

implementation of and transition to the Concentrated Animal Feeding Operation (CAFO) permit required under section 1353 of this title.

(b) Membership. The working group shall be composed of the following:

(1) five livestock farmers who are in good standing, appointed by the Speaker of the House as follows:

(A) one representative of the Champlain Valley Farmer Coalition;

(B) one representative of the Franklin and Grand Isle Farmers Watershed Alliance;

(C) one representative of the Connecticut River Watershed Farmers Alliance;

(D) one representative of the Vermont Dairy Producers Alliance; and

(E) one representative of farmers from the Northeast Kingdom;

(2) three agricultural technical service providers, appointed by the Governor;

(3) three representatives from the environmental advocate community, appointed by the Committee on Committees; and

(4) the executive director or designee from the Vermont Association of Conservation Districts.

(c) Assistance. The Agency of Natural Resources and the Agency of Agriculture, Food and Markets shall participate in the working group on an advisory and administrative capacity but shall not have appointed members on the working group and shall not be required to submit reports to the General Assembly. The working group shall have the administrative, technical, and legal assistance of the Agency of Natural Resources.

(d) Meetings.

(1) The Secretary of Natural Resources shall call the first meeting of the working group to occur on or before November 1, 2026.

(2) The working group shall select co-chairs from among its members at the first meeting. One of the co-chairs shall represent livestock farmers, and one co-chair shall represent the environmental advocate community.

(3) A majority of the membership of the working group shall constitute a quorum.

(4) The working group shall meet at least quarterly, or more frequently at the request of the co-chairs or at the request of the Secretary of Natural Resources.

(5) The working group's meetings shall be open to the public in accordance with 1 V.S.A. chapter 5, subchapter 2. Notwithstanding 1 V.S.A. § 313, the working group may go into executive session in order to discuss a circumstance or an event regarding a specific farm or regarding a possible CAFO permit violation by a specific farm.

(e) Report. The working group annually shall report to the House Committees on Agriculture, Food Resiliency, and Forestry and on Environment and the Senate Committees on Agriculture and on Natural Resources and Energy. The report may take the form of testimony to committees from members of the working group.

(f) Definition. As used in this section, "good standing" means a farmer subject to the requirement of this subchapter or to the requirements of 6 V.S.A. chapter 215 and who:

(1) does not have an active enforcement violation that has reached a final order with the Secretary of Natural Resources or the Secretary of Agriculture, Food and Markets; and

(2) is in compliance with the terms of any current grant agreement or contract with the Agency of Natural Resources or the Agency of Agriculture, Food and Markets.

Sec. 23. CONCENTRATED ANIMAL FEEDING OPERATION;
TRAINING ON INSPECTION

(a) On or before March 1, 2027, the Secretary of Natural Resources shall contract with a third-party consultant to:

(1) assist the Secretary in the development of standards and procedures to be used by the Agency of Natural Resources and the Agency of Agriculture, Food and Markets when inspecting Concentrated Animal Feeding Operations (CAFOs) as required by 10 V.S.A. chapter 47, subchapter 3A; and

(2) provide training to the Agency of Natural Resources and Agency of Agriculture, Food and Markets staff on implementation of inspection of CAFOs. Farmers who qualify for a CAFO permit may voluntarily attend training sessions.

(b) When the Secretary of Natural Resources and the Secretary of Agriculture, Food and Markets commence inspections of CAFOs under 10 V.S.A. chapter 47, subchapter 3A, the third-party consultant shall accompany the Agency of Natural Resources' inspectors on 10 inspections to ensure compliance with the inspection standards developed under subsection (a) of this section.

Sec. 24. CONTINGENCY OF FUNDING

The duty to implement Sec. 23 of this act (Concentrated Animal Feeding Operation; training on inspection) is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Agency of Natural Resources for the specific purposes described in Sec. 23 of this act.

* * * Farm and Forestry Operations Security Special Fund * * *

Sec. 24a. 6 V.S.A. § 4643(e) is amended to read:

(e) All administratively complete applications shall be evaluated by the Review Board. Within 15 days following receipt of an administratively complete application, the Review Board by majority vote shall recommend to the Secretary whether to issue a payment to the applicant. ~~If the Review Board recommends an award under this section, the~~ The Secretary shall issue the award make a final award determination within 15 days following the date of the Review Board's recommendation.

* * * Permitting Large and Medium Farm Operations * * *

Sec. 24b. 6 V.S.A. § 4851(i) is amended to read:

(i) A Beginning on July 1, 2026, a person required to obtain a permit under this section shall ~~submit not be required to pay~~ an annual operating fee of \$2,500.00 to the Secretary. ~~During any calendar year in which a person has an active Large Concentrated Animal Feeding Operation permit issued by the Agency of Natural Resources pursuant to the federal Clean Water Act and pays the required associated fee, that person shall not be required to pay the \$2,500.00 annual operating fee described in this section. The fees collected under this section shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title.~~

Sec. 24c. 6 V.S.A. § 4858(e) is amended to read:

(e) Operating fee. A Beginning on July 1, 2026, a person required to obtain a permit or coverage under this section shall ~~submit not be required to~~ pay an annual operating fee of \$1,500.00 to the Secretary. ~~The fees collected under this section shall be deposited in the Agricultural Water Quality Special Fund under section 4803 of this title.~~

* * * Effective Dates * * *

Sec. 25. EFFECTIVE DATES

(a) Secs. 15–20 (hemp oversight) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2026.

Report of Committee of Conference

H. 944.

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

To the Senate and House of Representatives:

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

H. 944. An act relating to the fiscal year 2027 Transportation Program and miscellaneous changes to laws related to transportation.

Respectfully reports that it has met and considered the same and recommends that the House accede to the Senate proposal of amendment with further amendment thereto 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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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
<u>Sources of funds</u>			
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Const.	7,000,000	8,700,000	1,700,000
Total	7,000,000	8,700,000	1,700,000
<u>Sources of funds</u>			
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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
<u>Sources of funds</u>			
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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:

<u>FY27</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
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

* * * Transportation Infrastructure Bonds * * *

Sec. 6. FISCAL YEAR 2028 PROPOSED TRANSPORTATION PROGRAM; TRANSPORTATION INFRASTRUCTURE BOND; REPORT

(a) The Agency of Transportation shall report to the House and Senate Committees on Transportation, on or before February 1, 2027, regarding projects that are not proposed for the State fiscal year 2028 Transportation Program that:

(1) are priority projects 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); and

(2) could be advanced to construction in the fiscal year 2028 or 2029 Transportation Program if the General Assembly authorized the issuance of transportation infrastructure bonds.

(b) Information presented as part of the report shall include:

(1) 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;

(2) 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;

(3) a review of historic transportation infrastructure bond usage in Vermont, including debt service costs; and

(4) a projection of future debt service costs and of the revenues necessary to pay the debt service.

* * * Mileage-Based User Fee * * *

Sec. 7. 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 United 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 number 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) Reductions in registration and license renewals and decreased compliance with annual inspection requirements, combined with reduced enforcement, has led to further diminished Transportation Fund revenues.

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

(14) 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 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.

Sec. 8. 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 the initial registration of a 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; and

(C) a flat rate of \$178.00 as set forth in subdivision (5) of this subsection (a).

(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 earlier 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 (4) of this subsection.

(4) Reconciliation of mileage for pay-as-you-go option.

(A) At the conclusion of each mileage reporting period for a covered vehicle whose owner or lessee has elected the pay-as-you-go 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).

(5) 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 beginning of each mileage reporting period. The owner or lessee shall remit the amount due to the Commissioner on or before the earlier 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 (5)(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.

(6) Payment dates for mileage reporting periods ending within 60 days of registration renewal. Notwithstanding any provision of this subsection to the contrary, the owner or lessee of a covered vehicle with a mileage reporting period that ends 60 or fewer days prior to the next required registration renewal for the vehicle shall be permitted to remit the amount due to the Commissioner on or before the earlier of:

(A) the next subsequent registration renewal of the vehicle;

(B) the termination of the vehicle's registration; or

(C) the sale of the vehicle or the termination of the vehicle's lease, as applicable.

(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; or

(2) the flat-rate option set forth in subdivision (a)(5) 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 60 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, provided that the Commissioner has sufficient odometer data to determine the mileage traveled since the beginning of the mileage reporting period.

§ 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. 9. 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) 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. 10. 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 subsection (b) 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) Provided that all required annual safety inspections under 23 V.S.A. § 1222 have been obtained, the amount of the covered vehicle's mileage-based user fee calculated pursuant to subdivision (3) of this subsection (b) 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 used in this section, “covered vehicle” has the same meaning as in 23 V.S.A. § 4301.

Sec. 11. 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. 12. 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 design and submit for approval by the General Assembly a plan and proposed legislation to expand the mileage-based user fee (MBUF) program to plug-in hybrid electric pleasure cars to ensure that all plug-in electric vehicles contribute 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 plug-in hybrid electric pleasure cars shall begin participating in the MBUF program on or before January 1, 2029.

(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 to provide 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 that are automatically applied to reduce the MBUF for the vehicle 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 pleasure cars in the MBUF program on or before January 1, 2029;

(3) 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;

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

(5) 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

(6) 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 pleasure cars 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 electric pleasure cars, 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; and

(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.

(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 plug-in electric vehicles on or before January 1, 2029;

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

(C) any additional recommendations for legislative action.

Sec. 13. EVALUATION OF FEE ON PUBLIC ELECTRIC VEHICLE CHARGING; REPORT

(a) The Commissioner of Taxes, in consultation with the Secretary of Transportation, the Commissioner of Public Service, and the Public Utility Commission, shall examine the potential of generating revenue for the Transportation Fund through a charge on the retail sale of electricity sold through electric vehicle supply equipment (EVSE) available to the public. In particular, the Commissioner shall:

(1) examine potential options for generating revenue from the retail sale of electricity through EVSE available to the public, including:

(A) a per kilowatt hour fee on the retail sale of electricity in lieu of the sales tax charged pursuant to 32 V.S.A. chapter 233;

(B) a tax on the retail sale of electricity in lieu of the sales tax charged pursuant to 32 V.S.A. chapter 233; and

(C) other options, in the discretion of the Commissioner in consultation with the Secretary of Transportation;

(2) with respect to all of the options examined pursuant to subdivision (1) of this subsection:

(A) investigate the potential ease of implementation, including anticipated administrative costs and any potential challenges;

(B) examine and compare the benefits and drawbacks; and

(C) develop a projection for potential revenue that could be generated at different rates; and

(3) identify examples of other states that have implemented the options examined pursuant to subdivision (1) of this subsection.

(b) On or before January 15, 2027, the Commissioner shall submit a written report to the House Committees on Transportation and on Ways and Means and the Senate Committees on Finance and on Transportation, regarding any findings pursuant to subsection (a) of this section and a recommendation for legislative action to generate revenue for the Transportation Fund from the retail sale of electricity through EVSE available to the public.

(c) As used in this section:

(1) “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.

(2) “Retail sale” has the same meaning as in 32 V.S.A. § 9701.

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

Sec. 14. 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. 15. 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. 16. 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. 17. 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. 18. 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. 19. 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 ~~intereity~~ private bus operators;

* * *

* * * Green Mountain Transit Authority * * *

Sec. 20. 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. 21. 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. 22. 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. 23. 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. 24. 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. 25. 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. 26. 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. 27. 2023 Acts and Resolves No. 62, Sec. 8 is amended to read:

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

* * *

(c) Any such conveyance shall:

* * *

~~(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.

* * *

Sec. 28. 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. 29. 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 competitive grants to public transit agencies to support the recruitment and retention of volunteer drivers and mobility management activities intended to reduce costs related to nonemergency medical transports.

Sec. 30. 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. 31. 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. 32. 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 90 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.

* * * Intelligent Speed Assistance * * *

Sec. 33. 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.

* * * Repeals; Log Drives * * *

Sec. 34. REPEALS; LOG DRIVES

The following sections are repealed:

(1) 25 V.S.A. § 241 (application of provisions);

(2) 25 V.S.A. § 242 (petition to Public Utility Commission);

(3) 25 V.S.A. § 243 (notice and hearing; decision);

- (4) 25 V.S.A. § 244 (judgment on decision); and
(5) 25 V.S.A. § 245 (bond of foreign corporation).

* * * Effective Dates * * *

Sec. 35. EFFECTIVE DATES

(a) Secs. 8 (mileage-based user fee), 9 (infrastructure fee for plug-in hybrids), 10 (initial transition for mileage-based user fee), and 30 (real-time status requirements for public EVSE) shall take effect on January 1, 2027.

(b) Notwithstanding 1 V.S.A. § 214, Sec. 28 (extension of authority to sell Caledonia County State Airport) shall take effect retroactively on April 30, 2026.

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

*SEN. RICHARD A. WESTMAN
SEN. ANDREW J. PERCHLIK
SEN. WENDY K. HARRISON*

Committee on the part of the Senate

*REP. MATTHEW E. WALKER
REP. TIMOTHY R. CORCORAN
REP. PHIL POUECH*

Committee on the part of the House

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.

Gail Falk of Plainfield, VT – Public Member of the Board of Medical Practice – By Senator Cummings for the Committee on Health and Welfare (May 19, 2026)

Lauren Wobby of Northfield, VT – Member, Vermont Educational and Health Buildings Financing Agency – By Senator Cummings for the Committee on Finance (May 26, 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 #3278: \$690,050.00 to the Department of Public Service from the State and Community Energy Programs, U.S. Department of Energy. Funds for a revolving loan program (Municipal Energy Revolving Fund) to help VT communities meet state energy goals. The funds will be managed by the Building and General Services department via a Memorandum of Understanding with the Department of Public Service.

[Received May 11, 2026]

JFO #3279: \$160,000.00 land donation to the Agency of Natural Resources, Department of Forests, Parks and Recreation from the Robert M. Burley Trust. The land is 102-acre donation in Elmore, VT to extend the Elmore State Park.. PILOT (payment in lieu of taxes) will be \$1,123.71 annually.

[Received May 11, 2026]

JFO #3280: \$20,000.00 to the Vermont Truth and Reconciliation Commission (VTRC) from Patricia Fontaine, private donor. Funds will hire consultants to fulfill the mission of the VTRC in their pursuit of community-centered justice and holistic healing.

[Received May 11, 2026]

JFO #3281: \$867,972.00 to the Agency of Commerce and Community Development, Department of Housing and Community Development from the Department of the Interior, National Park Service. Funds to fix drainage and foundation issues at the [Theron Boyd State Historic Site](#) and to prepare a full historic structure report. A State match of \$27,750.00 is required for this grant and is covered by the major maintenance funds allocated to ACCD, Historic Preservation Division in the State Capital Construction Bill for fiscal year 2028.

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