

# Senate Calendar

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FRIDAY, MAY 29, 2026

SENATE CONVENES AT: 10:00 A.M.

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## TABLE OF CONTENTS

Page No.

### ACTION CALENDAR

#### NEW BUSINESS

##### House Proposal of Amendment

- S. 71** An act relating to consumer data privacy and online surveillance  
House Proposal of Amendment .....4716
- S. 313** An act relating to transforming Vermont’s career technical  
education system  
House Proposal of Amendment .....4749

##### Joint Resolutions For Action

- J.R.H. 12** Joint resolution authorizing remote joint committee voting  
through the remainder of calendar year 2026 and the application of  
the ADA thereto..... 4758

### NOTICE CALENDAR

#### Report of Committee of Conference

- H. 949** An act relating to homestead property tax yields, the nonhomestead  
property tax rate, and technical changes to education finance  
Committee of Conference Report .....4758
- H. 951** An act relating to making appropriations for the support of the  
government  
Committee of Conference Report .....4767
- H. 955** An act relating to next steps in transforming Vermont's education  
system  
Committee of Conference Report .....4768



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**ORDERS OF THE DAY**

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**ACTION CALENDAR**

**NEW BUSINESS**

**House Proposal of Amendment**

**S. 71.**

An act relating to consumer data privacy and online surveillance.

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

Sec. 1. 9 V.S.A. chapter 61A is added to read:

CHAPTER 61A. DATA PRIVACY

Subchapter 1. Vermont Data Privacy and Online Surveillance Act

§ 2415a. SHORT TITLE AND DEFINITIONS

(a) Short title. This subchapter shall be known and may be cited as the “Vermont Data Privacy and Online Surveillance Act.”

(b) Definitions. As used in this subchapter:

(1)(A) “Affiliate” means a legal entity that shares common branding with another legal entity or controls, is controlled by, or is under common control with another legal entity.

(B) As used in subdivision (A) of this subdivision (1), “control” or “controlled” means:

(i) ownership of, or the power to vote, more than 50 percent of the outstanding shares of any class of voting security of a company;

(ii) control in any manner over the election of a majority of the directors or of individuals exercising similar functions; or

(iii) the power to exercise controlling influence over the management of a company.

(2) “Authenticate” means to use reasonable means to determine that a request to exercise any of the rights afforded under subdivisions 2415d(a)(1)–(4) of this subchapter is being made by, or on behalf of, the consumer who is entitled to exercise the consumer rights with respect to the personal data at issue.

(3)(A) “Biometric data” means data generated from the technological processing of an individual’s unique biological, physical, or physiological characteristics that are collected on or used to identify a specific consumer, including:

- (i) iris or retina scans;
- (ii) fingerprints;
- (iii) facial or hand mapping, geometry, or templates;
- (iv) vein patterns;
- (v) voice prints or vocal biomarkers; and
- (vi) gait or personally identifying physical movement or patterns.

(B) “Biometric data” does not include:

- (i) a digital or physical photograph;
- (ii) an audio or video recording; or
- (iii) any data generated from a digital or physical photograph or an audio or video recording, unless such data is generated to identify a specific individual.

(4) “Business associate” has the same meaning as in HIPAA.

(5) “Child” has the same meaning as in COPPA.

(6)(A) “Collect,” “collected,” or “collection” means buying, renting, gathering, obtaining, receiving, or accessing any personal data by any means, other than such activities between a controller and a processor or between a processor and its subcontractors.

(B) “Collect,” “collected,” or “collection” includes receiving data from the consumer, either actively or passively, or by observing the consumer’s behavior.

(7)(A) “Consent” means a clear affirmative act signifying a consumer’s freely given, specific, informed, and unambiguous agreement to allow the processing of personal data relating to the consumer.

(B) “Consent” may include a written statement, including by electronic means, or any other unambiguous affirmative action.

(C) “Consent” does not include:

- (i) acceptance of a general or broad terms of use or similar document that contains descriptions of personal data processing along with other, unrelated information;

(ii) hovering over, muting, pausing, or closing a given piece of content; or

(iii) agreement obtained through the use of dark patterns.

(8)(A) “Consumer” means an individual who is a resident of the State.

(B) “Consumer” does not include an individual acting in a commercial or employment context or as an employee, owner, director, officer, or contractor of a company, partnership, sole proprietorship, nonprofit organization, or government agency whose communications or transactions with the controller occur solely within the context of that individual’s role with the company, partnership, sole proprietorship, nonprofit organization, or government agency.

(9) “Consumer health data” means any personal data that a controller uses to identify a consumer’s physical or mental health condition, diagnosis, or status, including gender-affirming health data and reproductive or sexual health data.

(10) “Consumer health data controller” means any controller that, alone or jointly with others, determines the purpose and means of processing consumer health data.

(11) “Consumer reporting agency” has the same meaning as in the Fair Credit Reporting Act, 15 U.S.C. § 1681a(f).

(12) “Controller” means a person who, alone or jointly with others, determines the purpose and means of processing personal data.

(13) “COPPA” means the Children’s Online Privacy Protection Act of 1998, 15 U.S.C. §§ 6501–6506, and any regulations, rules, guidance, and exemptions adopted pursuant to the act, as the act and regulations, rules, guidance, and exemptions may be amended.

(14) “Covered entity” has the same meaning as in HIPAA.

(15) “Credit union” has the same meaning as in 8 V.S.A. § 30101.

(16) “Dark pattern” means a user interface designed or manipulated with the substantial effect of subverting or impairing user autonomy, decision making, or choice and includes any practice the Federal Trade Commission refers to as a “dark pattern.”

(17) “Decision that produces any legal or similarly significant effect” means any decision made by the controller, or on behalf of the controller, that results in the provision or denial by the controller of any financial or lending

service, any housing, any insurance, any education enrollment or opportunity, any criminal justice, any employment opportunity, or any health care service.

(18) “Deidentified data” means data that does not identify and cannot reasonably be used to infer information about, or otherwise be linked to, an identified or identifiable individual, or a device linked to the individual, if the controller that possesses the data:

(A)(i) takes reasonable measures to ensure that the data cannot be used to reidentify an identified or identifiable individual or be associated with an individual or device that identifies or is linked or reasonably linkable to an individual; and

(ii) for purposes of this subdivision (A), “reasonable measures” includes the deidentification requirements set forth under 45 C.F.R § 164.514 (other requirements relating to uses and disclosures of protected health information);

(B) publicly commits to process the data only in a deidentified fashion and not attempt to reidentify the data; and

(C) contractually obligates any recipients of the data to comply with all provisions of this subchapter.

(19) “Derived data” means data that is created by the derivation of information, data, assumptions, correlations, inferences, predictions, or conclusions from facts, evidence, or another source of information or data about a consumer’s device.

(20) “Gender-affirming health care services” has the same meaning as in 1 V.S.A. § 150.

(21) “Gender-affirming health data” means any personal data concerning a past, present, or future effort made by a consumer to seek, or a consumer’s receipt of, gender-affirming health care services.

(22) “Genetic data” means any data, regardless of its format, that results from the analysis of a biological sample of an individual, or from another source enabling equivalent information to be obtained, and concerns genetic material, including deoxyribonucleic acids (DNA), ribonucleic acids (RNA), genes, chromosomes, alleles, genomes, alterations or modifications to DNA or RNA, single nucleotide polymorphisms (SNPs), epigenetic markers, uninterpreted data that results from analysis of the biological sample or other source, and any information extrapolated, derived, or inferred therefrom.

(23) “Geofence” means any technology that uses global positioning coordinates, cell tower connectivity, cellular data, radio frequency

identification, wireless fidelity technology data, or any other form of location detection, or any combination of such coordinates, connectivity, data, identification, or other form of location detection, to establish a virtual boundary.

(24) “Health care facility” has the same meaning as in 18 V.S.A. § 9432.

(25) “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, as may be amended.

(26) “Hybrid entity” has the same meaning as in HIPAA.

(27) “Identified or identifiable individual” means an individual who can be readily identified, directly or indirectly, including by reference to an identifier such as a name, an identification number, precise geolocation data, or an online identifier.

(28) “Institution of higher education” means any individual who, or school, board, association, limited liability company, or corporation that, is licensed or accredited to offer one or more programs of higher learning leading to one or more degrees.

(29) “Mental health facility” means any health care facility in which at least 70 percent of the health care services provided in the facility are mental health services.

(30) “Minor” means any consumer who is younger than 18 years of age.

(31) “Neural data” means any information that is generated by measuring the activity of an individual’s central nervous system.

(32) “Nonprofit organization” means any organization that is qualified for tax exempt status under I.R.C. § 501(c)(3), 501(c)(4), 501(c)(6), or 501(c)(12), or any corresponding internal revenue code of the United States, as may be amended.

(33) “Patient-identifying information” has the same meaning as in 42 C.F.R. § 2.11 (confidentiality of substance use disorder patient records).

(34) “Person” means an individual, association, company, limited liability company, corporation, partnership, sole proprietorship, trust, or other legal entity.

(35)(A) “Personal data” means any information, including derived data and unique identifiers, that is linked or reasonably linkable, alone or in combination with other information, to an identified or identifiable individual or to a device that identifies, is linked to, or is reasonably linkable to one or more identified or identifiable individuals.

(B) “Personal data” does not include deidentified data or publicly available information.

(36)(A) “Precise geolocation data” means information derived from technology, including global positioning system level latitude and longitude coordinates or other mechanisms, that directly identifies the specific location of an individual with precision and accuracy within a radius of 1,750 feet.

(B) “Precise geolocation data” does not include:

(i) the content of communications;

(ii) data generated by or connected to an advanced utility metering infrastructure system; or

(iii) data generated by equipment used by a utility company.

(37) “Process” or “processing” means any operation or set of operations performed, whether by manual or automated means, on personal data or on sets of personal data, such as the collection, use, storage, disclosure, analysis, deletion, or modification of personal data.

(38) “Processor” means a person who collects or processes personal data on behalf of:

(A) a controller; or

(B) another processor.

(39) “Profiling” means any form of automated processing performed on personal data to evaluate, analyze, or predict personal aspects, including an individual’s economic situation, health, personal preferences, interests, reliability, behavior, location, movements, or identifying characteristics.

(40) “Protected health information” has the same meaning as in HIPAA.

(41) “Pseudonymous data” means personal data that cannot be attributed to a specific individual without the use of additional information, provided the additional information is kept separately and is subject to appropriate technical and organizational measures to ensure that the personal data are not attributed to an identified or identifiable individual.

(42)(A) “Publicly available information” means information that:

(i) is made available through federal, state, or local government records or to the general public from widely distributed media; or

(ii) a controller has a reasonable basis to believe that the consumer has lawfully made available to the general public.

(B) “Publicly available information” does not include:

(i) biometric data collected by a business about a consumer without the consumer’s knowledge;

(ii) information that is collated and combined to create a consumer profile that is made available to a user of a publicly available website either in exchange for payment or free of charge;

(iii) an inference that is generated from the information described in subdivision (ii) of this subdivision (42)(B);

(iv) solely for the purposes set forth in subdivisions 2415d(a)(1), (2), and (4) of this subchapter, information that is made available for sale;

(v) any obscene visual depiction, as defined in 18 U.S.C. § 1460;

(vi) personal data that is created through the combination of personal data with publicly available information;

(vii) genetic data, unless otherwise made publicly available by the consumer to whom the information pertains;

(viii) information provided by a consumer on a website or online service made available to all members of the public, for free or for a fee, where the consumer has maintained a reasonable expectation of privacy in the information, such as by restricting the information to a specific audience; or

(ix) intimate images, authentic or computer generated, known to be nonconsensual.

(43) “Reproductive or sexual health care” has the same meaning as “reproductive health care services” in 1 V.S.A. § 150(c).

(44) “Reproductive or sexual health data” means any personal data concerning an effort made by a consumer to seek, or a consumer’s receipt of, reproductive or sexual health care.

(45) “Reproductive or sexual health facility” means any health care facility in which at least 70 percent of the health care–related services or products rendered or provided in the facility are reproductive or sexual health care.

(46)(A) “Sale of personal data” means the exchange of a consumer’s personal data by the controller with a third party for monetary or other valuable consideration.

(B) “Sale of personal data” does not include:

(i) the disclosure of personal data to a processor that processes the personal data on behalf of the controller;

(ii) the disclosure of personal data to a third party for purposes of providing a product or service requested by the consumer;

(iii) the disclosure or transfer of personal data to an affiliate of the controller;

(iv) the disclosure of personal data when the consumer directs the controller to disclose the personal data or intentionally uses the controller to interact with a third party;

(v) the disclosure of personal data that the consumer:

(I) intentionally made available to the general public via a channel of mass media; and

(II) did not restrict to a specific audience; or

(vi) the disclosure or transfer of personal data to a third party as an asset that is part of a merger, acquisition, bankruptcy, or other transaction, or a proposed merger, acquisition, bankruptcy, or other transaction, in which the third party assumes control of all or part of the controller's assets.

(47) "Sensitive data" means personal data that includes:

(A) data revealing:

(i) racial or ethnic origin, religious beliefs, sex life, sexual orientation, status as nonbinary or transgender, or citizenship or immigration status; or

(ii) a mental or physical health condition, diagnosis, disability, or treatment;

(B) consumer health data;

(C) genetic or biometric data or information derived therefrom;

(D) personal data collected from an individual the controller has actual knowledge, or willfully disregards, is a child;

(E) precise geolocation data;

(F) neural data;

(G) a consumer's financial account number, financial account login information, or credit card or debit card number that, in combination with any required access or security code, password, or credential, would allow access to a consumer's financial account; or

(H) a government-issued identification number, including, but not limited to, Social Security number, passport number, State identification card number, or driver’s license number, that applicable law does not require to be publicly displayed.

(48)(A) “Targeted advertising” means displaying advertisements to a consumer where the advertisement is selected based on personal data obtained or inferred from that consumer’s activities over time and across nonaffiliated websites or online applications to predict the consumer’s preferences or interests.

(B) “Targeted advertising” does not include:

(i) an advertisement based on activities within the controller’s own website or online application;

(ii) an advertisement based on the context of a consumer’s current search query or visit to a website or online application;

(iii) an advertisement directed to a consumer in response to the consumer’s request for information or feedback; or

(iv) processing of personal data solely to measure or report advertising frequency, performance, or reach.

(49) “Third party” means a person, public authority, agency, or body, other than the consumer, controller, or processor or an affiliate of the processor or the controller.

(50) “Trade secret” has the same meaning as in section 4601 of this title.

#### § 2415b. APPLICABILITY

(a) Thresholds. Except as provided in subsection (b) of this section, this subchapter applies to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State and that during the preceding calendar year:

(1) controlled or processed the personal data of not fewer than 35,000 consumers, excluding personal data controlled or processed solely for the purpose of completing a payment transaction;

(2) controlled or processed the sensitive data of not fewer than 3,000 consumers, excluding personal data controlled or processed solely for the purposes of completing a payment transaction; or

(3) offered for sale in trade or commerce the personal data of not fewer than 3,000 consumers.

(b) Health data applicability. Section 2415k of this subchapter and the provisions of this subchapter concerning consumer health data and consumer health data controllers apply to a person that conducts business in this State or a person that produces products or services that are targeted to residents of this State.

(c) Controlling law. In the event of a conflict between the provisions of this subchapter and any other law, including the Vermont Age-Appropriate Design Code Act, the provisions of the law that afford the greatest protection for the right of privacy for consumers shall control.

#### § 2415c. EXEMPTIONS

(a) This subchapter does not apply to:

(1) in the ordinary course of its operation, a federal, state, tribal, or local government entity or an instrumentality of the State;

(2)(A) a covered entity that is not a hybrid entity;

(B) any health care component of a hybrid entity; or

(C) a business associate;

(3) patient-identifying information, for purposes of 42 U.S.C. § 290DD-2;

(4)(A) information to the extent it is used for public health, community health, or population health activities and purposes, as authorized by HIPAA, when provided by or to a covered entity or when provided by or to a business associate in accordance with the business associate agreement with a covered entity;

(B) information that is a health care record, as that term is defined in 18 V.S.A. § 9419, if the information is held by an entity that is a covered entity or business associate under HIPAA because it collects, uses, or discloses protected health information;

(C) information that is deidentified in accordance with the requirements for deidentification set forth in 45 C.F.R. § 164.514 and that is derived from individually identifiable health information as described in HIPAA; and

(D) personal information consistent with the human subject protection requirements of the U.S. Food and Drug Administration;

(5) information used only for public health activities and purposes described in 45 C.F.R. § 164.512 (disclosure of protected health information without authorization);

(6) information that identifies a consumer in connection with:

(A) activities that are subject to the Federal Policy for the Protection of Human Subjects, codified as 45 C.F.R. Part 46 (HHS protection of human subjects) and in various other federal regulations;

(B) activities that are subject to the protections provided in 21 C.F.R. Parts 50 (FDA clinical investigations protection of human subjects) and 56 (FDA clinical investigations institutional review boards); or

(C) research conducted in accordance with the requirements set forth in subdivisions (A) and (B) of this subdivision (a)(6) or otherwise in accordance with applicable law;

(7) patient-identifying information that is collected and processed in accordance with 42 C.F.R. Part 2 (confidentiality of substance use disorder patient records);

(8) patient safety work product that is created and used for purposes of patient safety improvement in accordance with 42 C.F.R. § 3, established in accordance with 42 U.S.C. §§ 299b-21 through 299b-26;

(9) information or documents created for the purposes of the Healthcare Quality Improvement Act of 1986, 42 U.S.C. §§ 11101-11152, and regulations adopted to implement that act;

(10) information processed or maintained solely in connection with, and for the purpose of, enabling notice of an emergency to persons that an individual specifies;

(11) any activity that involves collecting, maintaining, disclosing, selling, communicating, or using information for the purpose of evaluating a consumer's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living if done strictly in accordance with the provisions of the Fair Credit Reporting Act, 15 U.S.C. §§ 1681-1681x, as may be amended, by:

(A) a consumer reporting agency;

(B) a person who furnishes information to a consumer reporting agency under 15 U.S.C. § 1681s-2 (responsibilities of furnishers of information to consumer reporting agencies); or

(C) a person who uses a consumer report as provided in 15 U.S.C. § 1681b(a)(3) (permissible purposes of consumer reports);

(12) information collected, processed, sold, or disclosed under and in accordance with the following laws and regulations:

(A) the Driver’s Privacy Protection Act of 1994, 18 U.S.C. §§ 2721–2725;

(B) data that is subject to the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and regulations adopted to implement that act;

(C) data that is subject to the Airline Deregulation Act, Pub. L. No. 95-504, only to the extent that an air carrier collects information related to prices, routes, or services, and only to the extent that the provisions of the Airline Deregulation Act preempt this subchapter;

(D) data that is subject to the Farm Credit Act, Pub. L. No. 92-181, as may be amended; and

(E) data that is subject to federal policy under 21 U.S.C. § 830 (regulation of listed chemicals and certain machines);

(13) data subject to Title V of the Gramm-Leach-Bliley Act, Pub. L. No. 106-102, and regulations adopted to implement that act;

(14) a state- or federally chartered bank or credit union, or an affiliate or subsidiary that is principally engaged in financial activities, as described in 12 U.S.C. § 1843(k);

(15) an agent, broker-dealer, investment adviser, or investment adviser representative, as those terms are defined in section 5102 of this title, who is regulated by the Department of Financial Regulation or the Securities and Exchange Commission;

(16) a person regulated pursuant to 8 V.S.A. part 3 (chapters 101–165) other than a person who, alone or in combination with another person, establishes and maintains a self-insurance program and who does not otherwise engage in the business of entering into policies of insurance;

(17) health care providers and health care facilities, as those terms are defined in 18 V.S.A. § 9402, provided such providers and facilities maintain all protected health information in accordance with the requirements of 18 V.S.A. § 1881 and HIPAA regardless of whether such providers or facilities are covered entities under 45 C.F.R. § 160.103;

(18) protected health information under HIPAA;

(19) a third-party administrator, as that term is defined in the Third Party Administrator Rule adopted pursuant to 18 V.S.A. § 9417, provided that the third-party administrator is subject to and in compliance with the Department of Financial Regulation’s Regulation IH-2001-01 (Privacy of Consumer Financial and Health Information);

(20) personal data of a victim or witness of child abuse, domestic violence, human trafficking, sexual assault, violent felony, or stalking that a victim services organization collects, processes, or maintains in the course of its operation;

(21) a nonprofit organization that is established to detect and prevent fraudulent acts in connection with insurance;

(22) information that is processed for purposes of compliance, enrollment or degree verification, or research services by a nonprofit organization that is established to provide enrollment data reporting services on behalf of postsecondary schools as that term is defined in 16 V.S.A. § 176;

(23) noncommercial activity of:

(A) a publisher, editor, reporter, or other person who is connected with or employed by a newspaper, magazine, periodical, newsletter, pamphlet, report, or other publication in general circulation;

(B) a radio or television station that holds a license issued by the Federal Communications Commission;

(C) a nonprofit organization that provides programming to radio or television networks; or

(D) a press association or wire service; or

(24) data processed or maintained:

(A) in the course of an individual applying to, employed by, or acting as an agent or independent contractor of a controller, processor, consumer health data controller, or third party, to the extent that the data is collected and used within the context of that role;

(B) as the emergency contact information of a consumer pursuant to this subchapter, used for emergency contact purposes; or

(C) that is necessary to retain to administer benefits for another individual relating to the individual who is the subject of the information pursuant to subdivision (18) of this subsection (a) and used for the purposes of administering such benefits.

(b) Controllers, processors, and consumer health data controllers that comply with the verifiable parental consent requirements of COPPA shall be deemed compliant with any obligation to obtain parental consent pursuant to this subchapter.

§ 2415d. CONSUMER PERSONAL DATA RIGHTS

(a) Consumer rights. A consumer shall have the right to:

(1) confirm whether or not a controller is processing the consumer's personal data and access such personal data, including any inferences about the consumer derived from such personal data and whether a controller or processor is processing a consumer's personal data for the purposes of profiling to make a decision that produces any legal or similarly significant effect concerning a consumer, unless such confirmation or access would require the controller to reveal a trade secret or the controller is prohibited from disclosing such personal data under subsection (e) of this section;

(2) correct inaccuracies in the consumer's personal data, taking into account the nature of the personal data and the purposes of the processing of the consumer's personal data;

(3) delete personal data provided by, or obtained about, the consumer;

(4) obtain a copy of the consumer's personal data processed by the controller, in a portable and, to the extent technically feasible, readily usable format that allows the consumer to transmit the data to another controller without hindrance, where the processing is carried out by automated means, provided the controller shall not be required to reveal any trade secret;

(5) opt out of the processing of the personal data for purposes of:

(A) targeted advertising;

(B) the sale of personal data, except as provided in subsection 2415e(b) of this subchapter; or

(C) profiling in furtherance of any automated decision that produces any legal or similarly significant effect concerning the consumer;

(6) if the consumer's personal data were processed for the purposes of profiling in furtherance of any automated decision that produced any legal or similarly significant effect concerning the consumer, and if feasible:

(A) question the result of such profiling;

(B) be informed of the reason that such profiling resulted in such decision;

(C) review the consumer's personal data that were processed for the purposes of such profiling; and

(D) if the profiling decision concerned housing, taking into account the nature of the personal data and the purposes for which such personal data

were processed, be allowed to correct any incorrect personal data that were processed for the purposes of such profiling and have the profiling decision reevaluated based on the corrected personal data; and

(7) obtain from the controller a list of the third parties to which such controller has sold the consumer's personal data or, if such controller does not maintain a list of the third parties to which such controller has sold the consumer's personal data, a list of all third parties to which such controller has sold personal data, provided the controller shall not be required to reveal any trade secret.

(b) Exercising consumer rights.

(1) A consumer may exercise rights under this section by a secure and reliable means established by the controller and described to the consumer in the controller's privacy notice pursuant to subsection 2415e(c) of this subchapter.

(2)(A) A consumer may designate another person to serve as the consumer's authorized agent, and act on the consumer's behalf, to opt out of the processing of the consumer's personal data for the purposes specified in subsection (a) of this section.

(B) The consumer may designate an authorized agent by way of, among other things, a technology, including an internet link or a browser setting, browser extension, or global device setting, indicating the consumer's intent to opt out of the processing.

(C) A controller shall comply with an opt-out request received from an authorized agent if the controller is able to verify, with commercially reasonable effort, the identity of the consumer and the authorized agent's authority to act on the consumer's behalf.

(3) In the case of processing personal data of a consumer who:

(A) a controller has actual knowledge, or willfully disregards, is a child, the parent or legal guardian may exercise the consumer rights on the child's behalf; and

(B) is subject to a guardianship, conservatorship, or other protective arrangement, the guardian or the conservator of the consumer may exercise the rights on the consumer's behalf.

(c) Controller compliance. Except as otherwise provided in this subchapter, a controller shall comply with a request by a consumer to exercise the consumer rights authorized pursuant to this subchapter as follows:

(1) Timeline to respond. A controller:

(A) shall respond to the consumer without undue delay, but not later than 45 days after receipt of the request; and

(B) may extend the response period by 45 additional days when reasonably necessary, considering the complexity and number of the consumer's requests, provided the controller informs the consumer of the extension within the initial 45-day response period and of the reason for the extension.

(2) Declining to take action. If a controller declines to take action regarding the consumer's request, the controller shall inform the consumer without undue delay, but not later than 45 days after receipt of the request, of the justification for declining to take action and instructions for how to appeal the decision.

(3) Cost of information.

(A) Information provided by a controller in response to a consumer request shall be provided by the controller, free of charge, once per consumer during any 12-month period.

(B) If requests from a consumer are manifestly unfounded, excessive, or repetitive, the controller may charge the consumer a reasonable fee to cover the administrative costs of complying with the request or decline to act on the request.

(C) The controller bears the burden of demonstrating the manifestly unfounded, excessive, or repetitive nature of the request.

(4) Authentication of request.

(A) If a controller is unable to authenticate a request to exercise any of the rights afforded under subdivisions (a)(1)–(4) of this section using commercially reasonable efforts, the controller shall not be required to comply with a request to initiate an action pursuant to this section and shall provide notice to the consumer that the controller is unable to authenticate the request to exercise the right or rights until the consumer provides additional information reasonably necessary to authenticate the consumer and the consumer's request to exercise the right or rights.

(B) A controller shall not be required to authenticate an opt-out request, but a controller may deny an opt-out request if the controller has a good faith, reasonable, and documented belief that the request is fraudulent.

(C) If a controller denies an opt-out request because the controller believes the request is fraudulent, the controller shall send a notice to the person who made the request disclosing that the controller believes the request

is fraudulent, why the controller believes the request is fraudulent, and that the controller shall not comply with the request.

(5) Third-party data. A controller that has obtained personal data about a consumer from a source other than the consumer shall be deemed in compliance with a consumer's request to delete the consumer's data pursuant to subdivision (a)(3) of this section by:

(A) retaining a record of the deletion request and the minimum data necessary for the purpose of ensuring the consumer's personal data remains deleted from the controller's records and not using the retained data for any other purpose pursuant to the provisions of this subchapter; or

(B) opting the consumer out of the processing of the personal data for any purpose except for those exempted pursuant to the provisions of this subchapter.

(d) Appeals.

(1) A controller shall establish a process for a consumer to appeal the controller's refusal to take action on a request pursuant to this section within a reasonable period of time after the consumer's receipt of the decision.

(2) The appeal process shall be conspicuously available and similar to the process for submitting requests to initiate action pursuant to this section.

(3) Not later than 60 days after receipt of an appeal, a controller shall inform the consumer in writing of any action taken or not taken in response to the appeal, including a written explanation of the reasons for the decisions.

(4) If the controller denies the appeal, the controller shall also provide the consumer with an online mechanism, if available, or other method through which the consumer may contact the Attorney General to submit a complaint.

(e) Disclosure of certain information. A controller shall not disclose the following personal data in response to a request to exercise the consumer's rights pursuant to subdivision (a)(1) of this section and shall instead inform the consumer or the person exercising such right on behalf of the consumer, with sufficient particularity, that the controller has collected the consumer's:

(1) Social Security number;

(2) driver's license number, State identification card number, or other government-issued identification number;

(3) financial account number;

(4) health insurance identification number or medical identification number;

- (5) account password;
- (6) security question or answer thereto; or
- (7) biometric data.

§ 2415e. DUTIES OF CONTROLLERS

(a) Data collection and processing. A controller shall:

(1) limit the collection of a consumer's personal data to what is reasonably necessary and proportionate in relation to the purposes for which the data are processed, as disclosed to the consumer;

(2) not process a consumer's personal data for any material new purpose that is neither reasonably necessary to, nor compatible with, the purposes for which the data were processed pursuant to subdivision (1) of this subsection, unless the controller receives consent from the consumer;

(3) establish, implement, and maintain reasonable administrative, technical, and physical data security practices to protect the confidentiality, integrity, and accessibility of personal data appropriate to the volume and nature of the personal data at issue;

(4) regarding the sensitive data of a consumer:

(A) not process the sensitive data unless the consumer has provided consent and unless the processing is reasonably necessary in relation to the purposes for which the sensitive data are collected;

(B) not sell the sensitive data unless the consumer has provided consent; and

(C) if the controller has actual knowledge, or willfully disregards, that the consumer is a child, process the sensitive data in accordance with:

(i) COPPA; and

(ii) if applicable, section 2449f of this title;

(5) not process personal data in violation of any:

(A) law of this State that prohibits unlawful discrimination against consumers and any evidence, or lack of evidence, concerning proactive antibias testing or any similar proactive effort to avoid processing data in violation of any such law, including any evidence or lack of evidence concerning the quality, efficacy, recency, and scope of any testing or effort, the results of which shall be relevant to any claim available for a violation of such law and any defense available thereto; or

(B) federal law that prohibits unlawful discrimination against consumers;

(6) provide an effective mechanism for a consumer to revoke the consumer's consent under this section that is at least as easy as the mechanism by which the consumer provided the consumer's consent and, upon revocation of the consent, cease to process the data as soon as practicable, but not later than 15 days after the receipt of the request;

(7) subject to subdivision (9) of this subsection, if a controller has actual knowledge, and willfully disregards, that a consumer is at least 13 years of age but younger than 18 years of age:

(A) not process the personal data of the consumer for purposes of targeted advertising; and

(B) not sell the consumer's personal data;

(8) not discriminate against a consumer for exercising any of the consumer rights contained in this subchapter, including denying goods or services, charging different prices or rates for goods or services, or providing a different level of quality of goods or services to the consumer; and

(9) if the controller is a covered business and the consumer is a covered minor as both terms are defined in section 2449a of this title, comply with the requirements set forth in chapter 62, subchapter 6 of this title (Vermont Age-Appropriate Design Code Act).

(b) Limitations. Subsection (a) of this section shall not be construed to:

(1) require a controller to provide a product or service that requires the personal data of a consumer that the controller does not collect or maintain; or

(2) prohibit a controller from offering a different price, rate, level, quality, or selection of goods or services to a consumer, including offering goods or services for no fee if the offering is in connection with a consumer's voluntary participation in a bona fide loyalty, rewards, premium features, discounts, or club card program.

(c) Privacy notice.

(1) A controller shall provide consumers with a reasonably accessible, clear, and meaningful privacy notice that includes:

(A) the categories of personal data processed by the controller;

(B) the purpose for processing personal data and a description of the processing, pursuant to subdivision (a)(1) of this section;

(C) a description of the means, established pursuant to subsection (d) of this section, for consumers to submit requests to exercise their consumer rights pursuant to this subchapter, including a description of how consumers may:

(i) exercise a consumer's rights under subsection 2415d(a) of this subchapter; and

(ii) appeal a controller's decisions with regard to requests to exercise such rights;

(D) the categories of personal data that the controller sells to third parties, if any;

(E) the categories of third parties, if any, to which the controller sells personal data;

(F) a clear and conspicuous disclosure of any:

(i) processing of personal data for purposes of targeted advertising; or

(ii) sale of personal data to a third party for purposes of targeted advertising;

(G) an active email address or other online mechanism that the consumer may use to contact the controller;

(H) a statement disclosing whether the controller collects, uses, or sells personal data for the purpose of training large language models; and

(I) the most recent month and year during which the controller updated the privacy notice.

(2) A controller shall make the privacy notice required under subdivision (1) of this subsection publicly available:

(A) through a conspicuous hyperlink that includes the word "privacy":

(i) on the home page of the controller's website, if the controller maintains a website;

(ii) on the application store page or download page of a mobile device, if the controller maintains an application for use on a mobile device; and

(iii) on the application's settings menu or in a similarly conspicuous and accessible location, if the controller maintains an application for use on a mobile device or other device used to connect to the internet;

(B) through a medium in which the controller regularly interacts with consumers, including mail, if the controller does not maintain a website;

(C) in each language in which the controller:

(i) provides any product or service that is subject to the privacy notice; or

(ii) carries out any activity that is related to any product or service described in subdivision (i) of this subdivision (C); and

(D) in a manner that is reasonably accessible to, and usable by, individuals with disabilities.

(3) Whenever a controller makes any retroactive material change to the controller's privacy notice or practices, the controller shall:

(A) notify the consumers affected by such material change with respect to any personal data to be collected after the effective date of such material change;

(B) provide a reasonable opportunity for the consumers described in subdivision (A) of this subdivision (3) to withdraw consent to any further and materially different collection, processing, or transfer of previously collected personal data following such material change; and

(C) take all reasonable electronic measures to provide the notice set forth in this subdivision (3) to the affected consumers, taking into account the technology available to the controller and the nature of the controller's relationship with such affected consumers.

(4) Nothing in this subsection shall be construed to require a controller to provide a privacy notice that is specific to this State if the controller provides a generally applicable privacy notice that satisfies the requirements established in this subsection.

(d) Providing consumers access to exercise rights.

(1) A controller shall:

(A) establish and describe in a privacy notice, one or more secure and reliable means for consumers to submit a request to exercise their consumer rights pursuant to this subchapter; and

(B) not require a consumer to create a new account in order to exercise consumer rights but may require a consumer to use an existing account.

(2) The means pursuant to subdivision (1) of this subsection shall:

(A) take into account the ways in which consumers normally interact with the controller, the need for secure and reliable communication of the requests, and the ability of the controller to verify the identity of the consumer making the request;

(B) provide a clear and conspicuous link on the controller's website to a web page that enables a consumer, or an agent of the consumer, to opt out of the processing of the consumer's personal data for purposes of targeted advertising or any sale of the consumer's personal data; and

(C) allow a consumer to opt out of any processing of the consumer's personal data for the purposes of targeted advertising, or any sale of the personal data, through an opt-out preference signal sent to the controller with the consumer's consent indicating the consumer's intent to opt out of any of the processing or sale, by a platform, technology, or other mechanism that shall:

(i) not unfairly disadvantage another controller;

(ii) not make use of a default setting, but rather require the consumer to make an affirmative, freely given, and unambiguous choice to opt out of any processing of the consumer's personal data pursuant to this subchapter;

(iii) be consumer friendly and easy to use by the average consumer;

(iv) be as consistent as possible with any other similar platform, technology, or mechanism required by any federal or State law or regulation; and

(v) enable the controller to accurately determine whether the consumer is a resident of this State and whether the consumer has made a legitimate request to opt out of any sale of the consumer's personal data or targeted advertising.

(3) If a consumer's decision to opt out of any processing of the consumer's personal data for the purposes of targeted advertising, or any sale of the personal data, through an opt-out preference signal sent in accordance with the provisions of subdivision (2)(C) of this subsection conflicts with the consumer's existing controller-specific privacy setting or voluntary participation in a controller's bona fide loyalty, rewards, premium features, discounts, or club card program, the controller shall comply with the consumer's opt-out preference signal but may notify the consumer of the conflict and provide to the consumer the choice to confirm the controller-specific privacy setting or participation in the program.

(4) If a controller responds to a consumer opt-out request received pursuant to subdivision (2)(C) of this subsection by informing the consumer of a charge for the use of any product or service, the controller shall present the terms of any financial incentive offered pursuant to subdivision (b)(2) of this section for the retention, use, sale, or sharing of the consumer's personal data.

§ 2415f. PROCESSORS' DUTIES; CONTRACTS BETWEEN CONTROLLERS AND PROCESSORS

(a) Generally. A processor shall adhere to the instructions of a controller and shall assist the controller in meeting the controller's obligations under this subchapter, including:

(1) taking into account the nature of processing and to the extent possible, to fulfill the controller's obligation to respond to consumer rights requests pursuant to subsection 2415d(a) of this subchapter;

(2) taking into account the nature of processing and the information available to the processor, by assisting the controller in meeting the controller's obligations in relation to the security of processing the personal data and in relation to the notification of a data broker security breach or security breach, as defined in section 2430 of this title, of the system of the processor, in order to meet the controller's obligations; and

(3) providing necessary information to enable the controller to conduct and document data protection and impact assessments.

(b) Contractual terms.

(1) A contract between a controller and a processor shall govern the processor's data processing procedures with respect to processing performed on behalf of the controller.

(2) The contract shall be binding and clearly set forth instructions for processing data, the nature and purpose of processing, the type of data subject to processing, the duration of processing, and the rights and obligations of both parties.

(3) The contract shall require that the processor:

(A) ensure that each person processing personal data is subject to a duty of confidentiality with respect to the data;

(B) at the controller's direction, delete or return all personal data to the controller as requested at the end of the provision of services, unless retention of the personal data is required by law;

(C) upon the reasonable request of the controller, make available to the controller all information in its possession necessary to demonstrate the processor's compliance with the obligations in this subchapter;

(D) after providing the controller an opportunity to object, engage any subcontractor pursuant to a written contract that requires the subcontractor to meet the obligations of the processor with respect to the personal data; and

(E) make available to the controller upon the reasonable request of the controller all information in the processor's possession necessary to demonstrate the processor's compliance with this subchapter.

(4) A processor shall provide a report of an assessment to the controller upon request.

(c) Liabilities. This section shall not be construed to relieve a controller or processor from the liabilities imposed on the controller or processor by virtue of the controller's or processor's role in the processing relationship, as described in this subchapter.

(d) Processors performing as controllers.

(1) Determining whether a person is acting as a controller or processor with respect to a specific processing of data is a fact-based determination that depends upon the context in which personal data are to be processed.

(2) A person who is not limited in the person's processing of personal data pursuant to a controller's instructions, or who fails to adhere to the instructions, is a controller and not a processor with respect to a specific processing of data.

(3) A processor that continues to adhere to a controller's instructions with respect to a specific processing of personal data remains a processor.

(4) If a processor begins, alone or jointly with others, determining the purposes and means of the processing of personal data, the processor is a controller with respect to the processing and may be subject to an enforcement action under section 2415j of this subchapter.

§ 2415g. DATA PROTECTION AND IMPACT ASSESSMENTS;  
DISCLOSURE TO ATTORNEY GENERAL

(a) Generally. A controller shall conduct and document a data protection assessment for each of the controller's processing activities that presents a heightened risk of harm to a consumer, which for the purposes of this section includes:

(1) the processing of personal data for the purposes of targeted advertising;

(2) the sale of personal data;

(3) the processing of personal data for the purposes of profiling, if the profiling presents a reasonably foreseeable risk of:

(A) unfair or deceptive treatment of, or unlawful disparate impact on, a consumer;

(B) financial, physical, or reputational injury to a consumer;

(C) a physical or other intrusion upon the solitude or seclusion, or the private affairs or concerns, of a consumer, if the intrusion would be offensive to a reasonable person; or

(D) other substantial injury to a consumer; and

(4) the processing of sensitive data.

(b) Requirements.

(1) Data protection assessments conducted pursuant to subsection (a) of this section shall identify and weigh the benefits that may flow, directly and indirectly, from the processing to the controller, the consumer, other stakeholders, and the public against the potential risks to the rights of the consumer associated with the processing, as mitigated by safeguards that can be employed by the controller to reduce the risks.

(2) The controller shall factor into each data protection assessment the use of deidentified data and the reasonable expectations of consumers, as well as the context of the processing and the relationship between the controller and the consumer whose personal data will be processed.

(c) Impact assessments for profiling. Each controller that engages in any profiling for the purposes of making a decision that produces any legal or similarly significant effect concerning a consumer shall conduct an impact assessment for the profiling. The impact assessment shall include, to the extent reasonably known by or available to the controller, as applicable:

(1) a statement by the controller disclosing the purpose, intended use cases, and deployment context of, and benefits afforded by, the profiling;

(2) an analysis of whether the profiling poses any known or reasonably foreseeable heightened risk of harm to a consumer, and, if so:

(A) the nature of such heightened risk of harm to a consumer; and

(B) the steps that have been taken to mitigate such heightened risk of harm to a consumer;

(3) a description of:

(A) the main categories of personal data processed as inputs for the purposes of such profiling; and

(B) the outputs such profiling produces;

(4) an overview of the main categories of personal data the controller used to customize the profiling, if the controller used data to customize the profiling;

(5) any metrics used to evaluate the performance and known limitations of the profiling;

(6) a description of any transparency measures taken concerning the profiling, including any measures taken to disclose to consumers that the controller is engaged in profiling while the controller is engaged in the profiling; and

(7) a description of the postdeployment monitoring and user safeguards provided concerning such profiling, including the oversight, use, and learning processes established by the controller to address issues arising from such profiling.

(d) Disclosure to Attorney General.

(1) The Attorney General may require that a controller disclose any data protection or impact assessment that is relevant to an investigation conducted by the Attorney General, and the controller shall make the data protection or impact assessment available to the Attorney General.

(2) The Attorney General may evaluate the data protection or impact assessment for compliance with the responsibilities set forth in this subchapter.

(3) Data protection and impact assessments shall be confidential and shall be exempt from disclosure and copying under the Public Records Act.

(4) To the extent any information contained in a data protection or impact assessment disclosed to the Attorney General includes information subject to attorney-client privilege or work product protection, the disclosure shall not constitute a waiver of the privilege or protection.

(e) Assessment efficiency and applicability.

(1) A single data protection or impact assessment may address a comparable set of processing operations that include similar activities.

(2) If a controller conducts a data protection or impact assessment for the purpose of complying with another applicable law or regulation, the data protection or impact assessment shall be deemed to satisfy the requirements established in this section if the data protection or impact assessment is reasonably similar in scope and effect to the data or impact protection assessment that would otherwise be conducted pursuant to this section.

(3) Data protection and impact assessment requirements shall apply to processing activities created or generated after January 1, 2028, and are not retroactive.

#### § 2415h. DEIDENTIFIED DATA

(a) Requirements. A controller in possession of deidentified data shall:

(1) take reasonable measures to ensure that the data cannot be associated with an individual;

(2) publicly commit to maintaining and using deidentified data without attempting to reidentify the data; and

(3) contractually obligate any recipients of the deidentified data to comply with the provisions of this subchapter.

(b) Limitations. This subchapter shall not be construed to:

(1) require a controller or processor to reidentify deidentified data or pseudonymous data;

(2) maintain data in identifiable form, or collect, obtain, retain, or access any data or technology, in order to be capable of associating an authenticated consumer request with personal data; or

(3) require a controller or processor to comply with an authenticated consumer rights request if the controller:

(A) is not reasonably capable of associating the request with the personal data or it would be unreasonably burdensome for the controller to associate the request with the personal data;

(B) does not use the personal data to recognize or respond to the specific consumer who is the subject of the personal data, or associate the personal data with other personal data about the same specific consumer; and

(C) does not sell the personal data to any third party or otherwise voluntarily disclose the personal data to any third party other than a processor, except as otherwise permitted in this section.

(c) Pseudonymous data. The rights afforded under subdivisions 2415d(a)(1)–(4) of this subchapter shall not apply to pseudonymous data in cases in which the controller is able to demonstrate that any information necessary to identify the consumer is kept separately and is subject to effective technical and organizational controls that prevent the controller from accessing the information.

(d) Oversight when disclosing. A controller that discloses pseudonymous data or deidentified data shall exercise reasonable oversight to monitor compliance with any contractual commitments to which the pseudonymous data or deidentified data is subject and shall take appropriate steps to address any breaches of those contractual commitments.

#### § 2415i. CONSTRUCTION OF DUTIES

(a) Generally. This subchapter shall not be construed to restrict a controller's, processor's, or consumer health data controller's ability to:

(1) comply with federal, state, or municipal laws, ordinances, or regulations, except as prohibited by 1 V.S.A. § 150;

(2) comply with a civil, criminal, or regulatory inquiry, investigation, subpoena, or summons by federal, state, municipal, or other governmental authorities;

(3) cooperate with law enforcement agencies concerning conduct or activity that the controller, processor, or consumer health data controller reasonably and in good faith believes may violate federal, state, or municipal laws, ordinances, or regulations;

(4) investigate, establish, exercise, prepare for, or defend legal claims;

(5) provide a product or service specifically requested by a consumer;

(6) perform under a contract to which a consumer is a party, including fulfilling the terms of a written warranty;

(7) take steps at the request of a consumer prior to entering into a contract;

(8) take immediate steps to protect an interest that is essential for the life or physical safety of the consumer or another individual, and if the processing cannot be manifestly based on another legal basis;

(9) prevent, detect, protect against, or respond to security incidents, identity theft, fraud, harassment, malicious or deceptive activities, or any illegal activity; preserve the integrity or security of systems; or investigate, report, or prosecute those responsible for the action;

(10) engage in public or peer-reviewed scientific or statistical research in the public interest that adheres to all other applicable ethics and privacy laws and is approved, monitored, and governed by an institutional review board that determines, or similar independent oversight entities that determine:

(A) whether the deletion of the information is likely to provide substantial benefits that do not exclusively accrue to the controller;

(B) the expected benefits of the research outweigh the privacy risks;  
and

(C) whether the controller or consumer health data controller has implemented reasonable safeguards to mitigate privacy risks associated with research, including any risks associated with reidentification;

(11) assist another controller, processor, consumer health data controller, or third party with any of the obligations under this subchapter; or

(12) process personal data for reasons of public interest in the area of public health, community health, or population health, but solely to the extent that the processing is:

(A) subject to suitable and specific measures to safeguard the rights of the consumer whose personal data are being processed; and

(B) under the responsibility of a professional subject to confidentiality obligations under federal, state, or local law.

(b) Internal use of data. The obligations imposed on controllers, processors, or consumer health data controllers under this subchapter shall not restrict a controller's, processor's, or consumer health data controller's ability to collect, use, or retain data for internal use to:

(1) conduct internal research to develop, improve, or repair products, services, or technology;

(2) effectuate a product recall;

(3) identify and repair technical errors that impair existing or intended functionality;

(4) process personal data for the purposes of profiling in furtherance of any automated decision that may produce any legal or similarly significant effect concerning a consumer, provided the personal data are:

(A) processed only to the extent necessary to detect or correct any bias that may result from processing the data for such purposes, the bias cannot effectively be detected or corrected without processing the data, and the data are deleted once the processing has been completed;

(B) processed subject to appropriate safeguards to protect the rights of consumers secured by the Constitution or laws of this State or of the United States;

(C) subject to technical restrictions concerning the reuse of the data and industry-standard security and privacy measures, including pseudonymization;

(D) subject to measures to ensure that the data are secure, protected, and subject to suitable safeguards, including strict controls concerning, and documentation of, access to the data, to avoid misuse and ensure that only authorized persons may access the data while preserving the confidentiality of the data; and

(E) not transmitted, transferred, or otherwise accessed by any third party;

(5) perform internal operations that are reasonably aligned with the expectations of the consumer or reasonably anticipated based on the consumer's existing relationship with the controller or consumer health data controller, or are otherwise compatible with processing data in furtherance of the provision of a product or service specifically requested by a consumer or the performance of a contract to which the consumer is a party; or

(6) perform internal operations in accordance with the internal operations exception established in COPPA if the controller, processor, or consumer health data controller is processing data in accordance with the exception.

(c) Evidentiary privilege.

(1) The obligations imposed on controllers, processors, or consumer health data controllers under this subchapter shall not apply if compliance by the controller, processor, or consumer health data controller with this subchapter would violate an evidentiary privilege under the laws of this State.

(2) This subchapter shall not be construed to prevent a controller, processor, or consumer health data controller from providing personal data concerning a consumer to a person covered by an evidentiary privilege under the laws of this State as part of a privileged communication.

(3) Nothing in this subchapter modifies 2020 Acts and Resolves No. 166, Sec. 14 or authorizes the use of facial recognition technology by law enforcement.

(d) Third parties.

(1) A controller, processor, or consumer health data controller that discloses personal data to a processor or third-party controller pursuant to this subchapter shall not be deemed to have violated this subchapter if the processor or third-party controller that receives and processes the personal data violates this subchapter, provided, at the time the disclosing controller, processor, or consumer health data controller disclosed the personal data, the disclosing controller, processor, or consumer health data controller did not have actual knowledge that the receiving processor or third-party controller would violate this subchapter.

(2) A third-party controller or processor receiving personal data from a controller, processor, or consumer health data controller in compliance with this subchapter is not in violation of this subchapter for the transgressions of the controller, processor, or consumer health data controller from which the third-party controller or processor receives the personal data.

(e) Clarifications. This subchapter shall not be construed to:

(1) impose any obligation on a controller or processor that adversely affects the rights or freedoms of any person, including the rights of any person:

(A) to freedom of speech or freedom of the press guaranteed in the First Amendment to the U.S. Constitution; or

(B) under 12 V.S.A. § 1615;

(2) apply to any person's processing of personal data in the course of the person's purely personal or household activities; or

(3) require an independent school as defined in 16 V.S.A. § 11(a)(8) or a private institution of higher education, as defined in 20 U.S.C. § 1001 et seq., to delete personal data or opt out of processing of personal data that would unreasonably interfere with the provision of education services by or the ordinary operation of the school or institution.

(f) Personal data processing.

(1) Personal data processed by a controller or consumer health data controller pursuant to this section may be processed to the extent that the processing is:

(A) reasonably necessary and proportionate to the purposes listed in this section; and

(B) adequate, relevant, and limited to what is necessary in relation to the specific purposes listed in this section.

(2)(A) The collection, use, or retention of personal data pursuant to subsection (b) of this section shall, where applicable, take into account the nature and purpose or purposes of the collection, use, or retention.

(B) The data shall be subject to reasonable administrative, technical, and physical measures to protect the confidentiality, integrity, and accessibility of the personal data and to reduce reasonably foreseeable risks of harm to consumers relating to the collection, use, or retention of personal data.

(3) If a controller or consumer health data controller processes personal data pursuant to an exemption in this section, the controller or consumer health data controller bears the burden of demonstrating that the processing qualifies for the exemption and complies with the requirements of this subsection.

(4) Processing personal data for the purposes expressly identified in this section shall not solely make a legal entity a controller or consumer health data controller with respect to the processing.

#### § 2415j. ATTORNEY GENERAL ENFORCEMENT; REPORTING

(a) Consumer Protection Act. A violation of this subchapter shall be deemed a violation of the Vermont Consumer Protection Act, pursuant to chapter 63 of this title. The Attorney General has the same authority to enforce this subchapter as provided under 9 V.S.A. chapter 63, subchapter 1. This subchapter shall not be construed as providing the basis for, or be subject to, a private right of action for violations of this subchapter or any other law.

(b) Reporting. Annually, on or before December 1, the Attorney General shall submit a report to the General Assembly disclosing:

(1) the number of notices of violation pursuant to this subchapter that the Attorney General has issued;

(2) the nature of each violation;

(3) the number of violations that resulted in an enforcement action being taken;

(4) the number of enforcement actions that proceeded to trial;

(5) whether and to what extent the Attorney General has offered an opportunity for a controller or processor to cure a violation; and

(6) any other matter the Attorney General deems relevant for the purposes of the report.

(c) Guidance. The Attorney General shall provide, and update as necessary, guidance to controllers and processors for compliance with the terms of the Vermont Data Privacy and Online Surveillance Act.

§ 2415k. CONSUMER HEALTH DATA PRIVACY

A person shall not:

(1) provide any employee or contractor with access to consumer health data unless the employee or contractor is subject to a contractual or statutory duty of confidentiality;

(2) provide any processor with access to consumer health data unless the person and processor comply with section 2415f of this subchapter;

(3) use a geofence to establish a virtual boundary that is within 1,850 feet of any health care facility, including any mental health facility or reproductive or sexual health facility, for the purpose of identifying, tracking, collecting data from, or sending any notification to a consumer regarding the consumer's consumer health data; or

(4) sell, or offer to sell, consumer health data without first obtaining the consumer's consent.

Sec. 2. DATA PRIVACY; INTENT; ENFORCEMENT; EDUCATION

(a) Enforcement intent. Through this act, the General Assembly makes the decision to not provide consumers with a right to hold persons accountable in civil court for violations of the Vermont Data Privacy and Online Surveillance Act. Consequently, the Office of the Attorney General will bear the burden of enforcing the Act and ensuring, to the best of its abilities, that the rights of Vermonters will be protected. In prohibiting a private right of action, it is the intent of the General Assembly that additional appropriations and resources will be provided in the following years to support the Office of the Attorney General's enforcement of this Act, which may require the creation of a data privacy unit. If such appropriations or resources are not provided, the General Assembly may consider adding a private right of action for consumers.

(b) Educational intent. It is also the intent of the General Assembly that appropriate educational resources and sufficient technical support will be provided by the State in the following years to help Vermont businesses comply with the Act.

Sec. 3. DATA PRIVACY; ENFORCEMENT; CURE PERIOD

During the period beginning January 1, 2028, and ending on June 30, 2029, the Attorney General shall, prior to initiating any action for a violation of the Vermont Data Privacy and Online Surveillance Act, issue a notice of violation to the alleged violator if the Attorney General determines that a cure is possible. If the person fails to cure the violation within 60 days after receipt of the notice of violation, the Attorney General may bring an action pursuant to 9 V.S.A. § 2415j(a).

Sec. 4. EFFECTIVE DATE

This act shall take effect on January 1, 2028.

**S. 313.**

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

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

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Vermont has unmet workforce needs and skills gaps, while a growing percentage of the decreasing school-aged population is not continuing on to further their education.

(2) To help reverse these trends, every student should graduate with a plan for what comes next after high school, whether that is continued education or training, military service, or entering the workforce.

(3) A growing body of research shows that the fulfillment of this vision requires the creation of a career navigation system that includes intentional, coordinated, and equitable local, regional, and statewide programming from elementary school through high school. The system should ensure that students gain awareness of post-high school career and education opportunities through career exploration, personalized guidance, work-based learning, flexible pathways programming, and credentials of value that support successful transitions beyond high school.

(4) CTE is an essential tool to realize this vision. CTE engages students in hands-on instruction and applied learning that builds practical skills, develops career readiness, and provides pathways to industry-recognized credentials and postsecondary credit. Vermont's CTE system must ensure that every student, regardless of geography, identity, or school, has access to high-quality career technical education opportunities.

Sec. 2. CAREER TECHNICAL EDUCATION SYSTEM  
TRANSFORMATION; LEGISLATIVE INTENT

To realize a strong statewide career preparation system, it is the intent of the General Assembly to transform Vermont's career technical education (CTE) system as follows:

(1) Provide universal access to CTE, ensuring that every student can participate in CTE programming, including pretech and foundations courses, by:

(A) increasing exposure to and early awareness of CTE in middle school and the first two years of high school;

(B) addressing barriers such as transportation, scheduling conflicts, and awareness;

(C) providing consistency in admissions policies while allowing for program-specific requirements related to readiness, sequencing, and safety; and

(D) ensuring that no student may be placed on a waitlist or prevented from accessing CTE for lack of capacity where there is a viable alternative program that aligns with the student's intended program of study and meets program requirements, including sequencing and safety concerns, through the provision of transportation, supported through a state-level funding or coordination mechanism.

(2) Enable flexible delivery models, expanding beyond regional technical centers to offer multiple pathways for students to access CTE programming and graduate with required high school courses by:

(A) delivering programs at sending high schools or in a hybrid format where appropriate, provided that program quality, industry alignment, and access to necessary equipment and facilities are maintained; and

(B) utilizing shared resources and technology to improve educational access and limit transportation needs.

(3) Align the CTE system with workforce needs by designing and evaluating programs based on current and emerging Vermont labor market demands, continue robust evaluation of the system through the Comprehensive Local Needs Assessment process, and utilize statewide research from Vermont's Most Promising Jobs and VT Labor Market Information to assess student outcomes in continuing to the workforce.

(4) Create a sustainable, student-centered funding system that removes disincentives for participation and supports program growth and innovation. Flexible delivery models and access must be taken into consideration to ensure the sustainability of program delivery.

(5) Explore the viability and impact of CTE centers becoming diploma-conferring institutions or comprehensive high schools. In situations where this

is not possible, high schools shall be required to award the credits recommended by a CTE center.

(6) Maintain a strong adult CTE system by building robust adult and continuing education pathways within CTE that meet Vermont’s upskilling, reskilling, and workforce development needs while connecting seamlessly with secondary programs and regional workforce partners. Such a system shall have a governance and funding model that promotes coordination, quality, program consistency, and sustainability.

(7) Coordinate CTE governance by establishing governance approaches that strengthen collaboration across districts, improve consistency and program quality, and better support positive student outcomes. CTE governance should align with the ongoing education transportation process, with the above goals as the lens through which decisions are made.

### Sec. 3. CAREER TECHNICAL EDUCATION; GUIDANCE

On or before September 18, 2026, the Agency of Education, in collaboration with the Vermont Association of Career and Technical Directors and the Vermont Superintendents Association, shall issue guidance on the following topics, which shall reflect the current career technical education system as it exists on July 1, 2026, in an effort to provide clarity to the field prior to updates to the career and technical education rules:

- (1) updates to definitions, including definitions for “CTE programs,” “credentials,” “embedded academics,” and “satellite models”;
- (2) credit standards and competency-based pathways;
- (3) work-based learning sequencing aligned with Occupational Safety and Health Administration standards and federal hazard orders;
- (4) minimum safety, space, and equipment standards;
- (5) data and reporting alignment with Perkins V; and
- (6) explicit allowance for differentiated regional delivery models.

Sec. 4. 16 V.S.A. § 1532 is amended to read:

### § 1532. MINIMUM STANDARDS; MEASUREMENT OF STANDARDS; RULES

(a) The State Board shall adopt by rule:

\* \* \*

(b) The following shall be adopted by procedure or rule:

\* \* \*

(c) The State Board shall review the rules and procedures adopted pursuant to this section not less than every five years and shall update the rules and procedures as necessary.

Sec. 5. AGENCY OF EDUCATION RECOMMENDATIONS; LICENSING OF CAREER AND TECHNICAL EDUCATION EDUCATORS; ENFORCEMENT INTERVENTION PATHWAY; FLEXIBLE PATHWAYS; REPORT

On or before January 15, 2027, the Agency of Education shall submit a written report to the House Committees on Commerce and Economic Development and on Education and the Senate Committees on Economic Development, Housing and General Affairs and on Education, with recommendations for the following:

(1) In collaboration with the Standards Board for Professional Educators, recommendations regarding career technical education (CTE) educator endorsement requirements that will balance the need for increased access to CTE educators with industry expertise and experience with the need for ensuring CTE educators are qualified to provide education in their specialty fields, without unintentionally creating additional barriers or complexity. Such recommendations shall include both necessary statutory changes as well as recommended changes to applicable State Board of Education rules.

(2) A pre-enforcement intervention pathway that is responsible for:

(A) supporting interpretation and implementation of CTE rules and statute;

(B) providing early-stage mediation between CTE centers and sending districts;

(C) documenting patterns of noncompliance or systemic barriers; and

(D) escalating unresolved or repeated issues for formal enforcement.

(3) Updates to the Flexible Pathways Initiative created within the Agency pursuant to 16 V.S.A. § 941 that alleviate statewide inconsistencies with how flexible pathways are accessed and how personalized learning plans are created, updated, and utilized, including:

(A) recommendations for a statewide framework for career navigation consistent with the requirements of 16 V.S.A. chapter 23, subchapter 2, including:

(i) grade-level competency standards for students in prekindergarten through grade 12 related to career exploration and planning

that are designed to ensure that each student develops the knowledge, skills, and experiences necessary to graduate with a clear, actionable, and adaptable plan for career and educational next steps; and

(ii) evidence-informed educational resources, activities, and curricula that support opportunities for awareness and exploration of and planning for career and education pathways both in and out of the classroom setting;

(B) recommendations for statewide professional development programming to help individuals within the public education system who have direct contact with students build role-specific knowledge and skills necessary to support students in developing post-high school career and education plans;

(C) recommendations for a model career navigation policy that is integrated within comprehensive system improvement efforts to strengthen prekindergarten through grade 12 academic proficiency and that:

(i) establishes a framework for school districts to embed grade-level competencies related to career exploration directly into core academic instruction, ensuring that career-aligned learning supports the attainment of rigorous student performance standards;

(ii) ensures that students engage in meaningful career education exploration and planning activities that reinforce academic growth and the real-world application of classroom learning; and

(iii) utilizes a process by which each student develops and updates a personalized learning plan in accordance with 16 V.S.A. § 941(b)(2), serving as a primary tool for tracking both academic proficiency and evolving career interests; and

(D) an analysis of data collection system capabilities and gaps related to flexible pathways, personalized learning plans, and college and career readiness.

(4) Recommendations for ensuring Adult Diploma Program (ADP) participants have access to the educational programs that best serve their needs, including career technical education, while also complying with federal and State requirements for adult education, as well as recommendations for how access to such educational programs shall be funded through the use of State funds. If federal or State law is identified as a barrier, the report shall cite the applicable law and explain how it is a barrier to ADP participants' access to the educational program at issue.

Sec. 6. COMPREHENSIVE HIGH SCHOOLS REDEFINED; INTENT

(a) 16 V.S.A. § 1522(14) defines a comprehensive high school as “a public or independent school other than a career technical center that provides secondary career technical education approved under section 1533 of this title.” As Vermont works to transform its career technical education (CTE) system to increase the access, quality, and opportunity of CTE programming available to Vermont students, the concept of a comprehensive high school could be expanded to achieve these goals. It is the intent of the General Assembly to move toward a model of comprehensive high schools that would offer all opportunities available to students within the public education system, to be defined as “a public or independent school other than a career technical center that fully integrates the provision of career technical education with the provision of general education in one school building or on one school campus, with a single budget for both CTE education and general education.”

(b) Any recommendations issued to the General Assembly regarding how to achieve regional high schools, how to achieve more comprehensive high schools, or how to embed career technical education within secondary schools shall consider the definition of comprehensive high school the General Assembly intends to move toward pursuant to subsection (a) of this section, or any other model that creates high schools that share operational costs, expand opportunities, and improve educational equity across a broad geographical area, to guide such recommendations.

Sec. 7. 16 V.S.A. § 1545 is amended to read:

§ 1545. CREDITS AND GRADES EARNED

(a) Grades Credits or proficiencies and grades earned in a course offered within a CTE program approved by the State Board shall not be altered by any public school or approved or recognized independent school in Vermont and shall be applied by the school toward any State graduation requirements in accordance with rules adopted by the State Board. Any State Board rules regarding earning of credits or proficiencies shall allow flexibility with respect to the integration of CTE education and other academic courses.

(b) The credits or proficiencies earned for a career technical education program approved by the State Board shall be honored by any public or independent school within Vermont. If necessary to enable a student to participate in career technical education and graduate with ~~his or her~~ the student's class, the credits or proficiencies earned shall be applied toward any school district or independent school graduation requirements exceeding the minimum number of credits or proficiencies required by the State Board. The school board of the high school from which the student wishes to graduate

shall ~~make a determination as to whether the credits shall be applied~~ apply credits or proficiencies earned for a career technical education program approved by the State Board toward graduation requirements. A decision of a school board may be appealed to the Secretary who shall construe this section to favor participation in career technical education.

(c) For any student attending the Vermont Academy for Science and Technology pursuant to subsection 4011(e) of this title, the credits or proficiencies and grades earned shall, upon request of the student or the student's parent or guardian, be applied toward graduation requirements at the Vermont high school that the student attended prior to enrolling in the Academy.

Sec. 8. [Deleted.]

Sec. 8a. 21 V.S.A. § 471 is amended to read:

§ 471. DEFINITIONS

As used in this subchapter:

\* \* \*

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

\* \* \*

Sec. 8b. 21 V.S.A. § 495d is amended to read:

§ 495d. DEFINITIONS

As used in this subchapter:

\* \* \*

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

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

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

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

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

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

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

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

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

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

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

\* \* \*

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

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

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

Sec. 8c. 21 V.S.A. § 495g is amended to read:

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

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

Sec. 8d. 21 V.S.A. § 383 is amended to read:

§ 383. DEFINITIONS

As used in this subchapter:

(1) “Commissioner” means the Commissioner of Labor or designee.

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

\* \* \*

(H) outside salespersons; and

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

(J) elected and appointed municipal officers.

\* \* \*

Sec. 8e. 21 V.S.A. § 495q is added to read:

§ 495q. AGREEMENTS WITH HEALTH CARE PROVIDERS

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

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

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

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

(4) is inconsistent with Vermont law; or

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

(b) The notice provided in subdivision (a)(2) of this section may include the following information:

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

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

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

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

(d) "Health care provider" means a person licensed, certified, or authorized by law to provide professional health care service in this State to an individual during that individual's medical care, treatment, or confinement.

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

(f) This section shall apply to contracts and agreements entered into on or after July 1, 2026.

#### Sec. 9. EFFECTIVE DATE

This act shall take effect on passage.

### **Joint Resolutions For Action**

#### **J.R.H. 12.**

Joint resolution authorizing remote joint committee voting through the remainder of calendar year 2026 and the application of the ADA thereto.

**PENDING QUESTION:** Shall the resolution be adopted in concurrence?

(For text of resolution, see Senate Journal of May 28, 2026, page 1777.)

### **NOTICE CALENDAR**

#### **Report of Committee of Conference**

#### **H. 949.**

An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance.

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. 949.** An act relating to homestead property tax yields, the nonhomestead property tax rate, and technical changes to education finance.

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 as follows:

First: By striking out Secs. 1, property dollar equivalent yield, income dollar equivalent yield, and nonhomestead property tax rate for fiscal year 2027, and 2, Education Fund reserve; property tax rate offset, in their entireties and inserting in lieu thereof two reader assistance headings and two new Secs. 1 and 2 to read as follows:

\* \* \* Yields \* \* \*

Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME  
DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD  
PROPERTY TAX RATE FOR FISCAL YEAR 2027

For fiscal year 2027 only:

(1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent yield shall be \$9,401.00.

(2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield shall be \$12,960.00.

(3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the nonhomestead property tax rate shall be \$1.643 per \$100.00 of equalized education property value.

\* \* \* Excess Spending Exemption \* \* \*

Sec. 2. 16 V.S.A. § 4001(6) is amended to read:

(6) “Education spending” means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

(B) For all bonds approved by voters prior to July 1, ~~2024~~ 2026, voter-approved bond payments toward principal and interest shall not be included in “education spending” for purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12).

Second: By striking out Sec. 6, effective date, in its entirety and inserting in lieu thereof six reader assistance headings and 11 new sections to be Secs. 6–16 to read as follows:

\* \* \* Excess Spending Penalty Transition Fiscal Years 2028–2032 \* \* \*

Sec. 6. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(12) “Excess spending” means:

(A) ~~The~~ the per pupil spending amount of the district’s education spending, as defined in 16 V.S.A. § 4001(6), plus any amount required to be added from a capital construction reserve fund under 24 V.S.A. § 2804(b), that exceeds the excess spending threshold, as determined by the Secretary of Education on or before November 15 of each year based on the passed budgets to date.

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

\* \* \*

(18) “Excess spending base” means the statewide average district per pupil education spending for fiscal year 2025, as adjusted for inflation. The excess spending base shall be adjusted for inflation by adjusting the excess spending base by the change in the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures published by the U.S. Department of Commerce, Bureau of Economic Analysis, as of November 15, from fiscal year 2025 through the

fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount.

(19) “Excess spending threshold” means 112.5 percent of the excess spending base.

#### Sec. 7. EXCESS SPENDING PENALTY; TRANSITION

Notwithstanding 32 V.S.A. § 5401(19), beginning in fiscal year 2028, the excess spending threshold shall annually decrease according to the following schedule until reaching the statutory excess spending threshold in fiscal year 2032:

- (1) in fiscal year 2028, 115.5 percent of the excess spending base;
- (2) in fiscal year 2029, 114.5 percent of the excess spending base;
- (3) in fiscal year 2030, 113.5 percent of the excess spending base;
- (4) in fiscal year 2031, 113 percent of the excess spending base; and
- (5) in fiscal year 2032, 112.5 percent of the excess spending base.

\* \* \* Renter Credit Expansion Claim Year 2027 \* \* \*

#### Sec. 8. 32 V.S.A. § 6066(b) is amended to read:

(b)(1) An eligible claimant who rented the homestead shall be entitled to a credit for the taxable year in an amount not to exceed ~~\$2,500.00~~ \$3,250.00, to be calculated as follows:

(A) If the claimant’s income is less than or equal to the extremely low-income limit, the claimant shall be entitled to a credit in the amount of ~~10~~ 12.5 percent of fair market rent.

(B) If the claimant’s income is greater than the extremely low-income limit but less than or equal to the very low-income limit, the claimant shall be entitled to a percentage of the credit that is proportional to the claimant’s income that is less than the very low-income limit, determined by:

(i) subtracting the claimant’s income from the very low-income limit;

(ii) dividing the value under subdivision (i) of this subdivision (1)(B) by the difference between the extremely low-income limit and the very low-income limit; and

(iii) multiplying the value under subdivision (ii) of this subdivision (1)(B) by ~~10~~ 12.5 percent of fair market rent.

(C) If the claimant's income is greater than the very low-income limit, the claimant shall not be entitled to a renter credit.

(D) A claimant who is eligible for a renter credit, including pursuant to this subsection (b), and who receives a rental subsidy shall be entitled to a credit in the amount of ~~10~~ 12.5 percent of gross rent paid.

(E) A renter credit shall be prorated by the number of calendar months in the taxable year during which the claimant rented the homestead, except for a credit based on gross rent paid under subdivision (D) of this subsection (b)(1), and by the portion of the principal dwelling used for business purposes, if the portion used for business purposes includes more than 25 percent of the floor space of the dwelling.

(2) The Commissioner shall calculate the credit under subdivision (1) of this subsection (b) using the fair market rent corresponding to a number of bedrooms equal to the number of personal exemptions allowed under subdivision 5811(21)(C) of this title for the taxable year, provided that for claimants who resided with any person who was neither the claimant's dependent nor jointly filing spouse at any time during the taxable year, the Commissioner shall reduce the credit by 50 percent.

Sec. 9. 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a property tax credit under this chapter. An individual who received a homestead exemption or credit with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive a credit under this chapter. No taxpayer shall receive a renter credit under subsection 6066(b) of this title in excess of ~~\$2,500.00~~ \$3,250.00. No taxpayer shall receive a property tax credit under subdivision 6066(a)(3) of this title greater than \$2,400.00 or cumulative credit under subdivisions ~~6066(a)(1)-(2)~~ 6066(a)(1), (2), and (4) of this title greater than \$5,600.00.

\* \* \* Circuit Breaker Expansion Fiscal Year 2028 \* \* \*

Sec. 10. 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF PROPERTY TAX CREDIT AND RENTER CREDIT

(a) An eligible claimant who owned the homestead on April 1 of the year in which the claim is filed shall be entitled to a credit for the prior year's homestead property tax liability amount determined as follows:

(1)(A) For a claimant with household income of \$90,000.00 or more:

\* \* \*

(B) For a claimant with household income of less than \$90,000.00 but more than ~~\$47,000.00~~ \$50,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus (if less) the sum of:

\* \* \*

(C) For a claimant whose household income does not exceed ~~\$47,000.00~~ \$50,000.00, the statewide education tax rate, multiplied by the equalized value of the housesite in the taxable year, minus the lesser of:

\* \* \*

(3) A claimant whose household income does not exceed ~~\$47,000.00~~ \$50,000.00 shall also be entitled to an additional credit amount from the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year that began in the taxable year upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
\$0.00 – 9,999.00	1.50
<del>\$10,000.00 – 47,000.00</del> <u>\$10,000.00 – 50,000.00</u>	3.00

(4) A claimant whose household income does not exceed ~~\$47,000.00~~ \$50,000.00 shall also be entitled to an additional credit amount from the claimant's statewide education tax for the upcoming fiscal year that is equal to the amount by which the education property tax for the municipal fiscal year that began in the taxable year upon the claimant's housesite, reduced by the credit amount determined under subdivisions (1) and (2) of this subsection, exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
\$0.00 – 9,999.00	0.5
\$10,000.00 – 24,999.00	1.5

\$25,000.00 – ~~47,000.00~~ 50,000.00

2.0

\* \* \*

(b)(1) An eligible claimant who rented the homestead shall be entitled to a credit for the taxable year in an amount not to exceed ~~\$3,250.00~~ \$2,500.00, to be calculated as follows:

(A) If the claimant's income is less than or equal to the extremely low-income limit, the claimant shall be entitled to a credit in the amount of ~~12.5~~ 10 percent of fair market rent.

(B) If the claimant's income is greater than the extremely low-income limit but less than or equal to the very low-income limit, the claimant shall be entitled to a percentage of the credit that is proportional to the claimant's income that is less than the very low-income limit, determined by:

(i) subtracting the claimant's income from the very low-income limit;

(ii) dividing the value under subdivision (i) of this subdivision (1)(B) by the difference between the extremely low-income limit and the very low-income limit; and

(iii) multiplying the value under subdivision (ii) of this subdivision (1)(B) by ~~12.5~~ 10 percent of fair market rent.

(C) If the claimant's income is greater than the very low-income limit, the claimant shall not be entitled to a renter credit.

(D) A claimant who is eligible for a renter credit, including pursuant to this subsection (b), and who receives a rental subsidy shall be entitled to a credit in the amount of ~~12.5~~ 10 percent of gross rent paid.

(E) A renter credit shall be prorated by the number of calendar months in the taxable year during which the claimant rented the homestead, except for a credit based on gross rent paid under subdivision (D) of this subdivision (b)(1), and by the portion of the principal dwelling used for business purposes, if the portion used for business purposes includes more than 25 percent of the floor space of the dwelling.

(2) The Commissioner shall calculate the credit under subdivision (1) of this subsection (~~b~~) using the fair market rent corresponding to a number of bedrooms equal to the number of personal exemptions allowed under subdivision 5811(21)(C) of this title for the taxable year, provided that for claimants who resided with any person who was neither the claimant's dependent nor jointly filing spouse at any time during the taxable year, the Commissioner shall reduce the credit by 50 percent.

\* \* \*

Sec. 11. 32 V.S.A. § 6067 is amended to read:

§ 6067. CREDIT LIMITATIONS

Only one individual per household per taxable year shall be entitled to a property tax credit under this chapter. An individual who received a homestead exemption or credit with respect to property taxes assessed by another state for the taxable year shall not be entitled to receive a credit under this chapter. No taxpayer shall receive a renter credit under subsection 6066(b) of this title in excess of ~~\$3,250.00~~ \$2,500.00. No taxpayer shall receive a property tax credit under subdivision 6066(a)(3) of this title greater than ~~\$2,400.00~~ \$2,600.00 or cumulative credit under subdivisions 6066(a)(1), (2), and (4) of this title greater than ~~\$5,600.00~~ \$6,000.00.

\* \* \* Conforming Changes for Foundation Formula Fiscal Year 2030 \* \* \*

Sec. 12. 32 V.S.A. § 5401 is amended to read:

§ 5401. DEFINITIONS

As used in this chapter:

\* \* \*

(18) ~~“Excess spending base” means the statewide average district per pupil education spending for fiscal year 2025, as adjusted for inflation. The excess spending base shall be adjusted for inflation by adjusting the excess spending base by the change in the National Income and Product Accounts (NIPA) implicit price deflator for state and local government consumption expenditures published by the U.S. Department of Commerce, Bureau of Economic Analysis, as of November 15, from fiscal year 2025 through the fiscal year for which the amount is being determined, and rounding upward to the nearest whole dollar amount. [Repealed.]~~

(19) ~~“Excess spending threshold” means 112.5 percent of the excess spending base. [Repealed.]~~

Sec. 13. 32 V.S.A. § 6066 is amended to read:

§ 6066. COMPUTATION OF HOMESTEAD PROPERTY TAX  
EXEMPTION, MUNICIPAL PROPERTY TAX CREDIT, AND  
RENTER CREDIT

(a)(1) An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed \$115,000.00 shall be entitled to a homestead property tax exemption in the claim year in an amount determined as follows:

\* \* \*

(2) An eligible claimant who owned the homestead on April 1 of the claim year and whose household income does not exceed ~~\$47,000.00~~ \$50,000.00 shall also be entitled to a credit amount against the claimant's municipal taxes for the upcoming fiscal year that is equal to the amount by which the municipal property taxes for the municipal fiscal year that began in the taxable year upon the claimant's housesite exceeds a percentage of the claimant's household income for the taxable year as follows:

If household income (rounded to the nearest dollar) is:	then the taxpayer is entitled to credit for the reduced property tax in excess of this percent of that income:
\$0.00 – 9,999.00	1.50
<del>\$25,000.00 – 47,000.00</del> <u>\$25,000.00 – 50,000.00</u>	3.00

\* \* \*

Sec. 14. 32 V.S.A. § 6067(c) is amended to read:

(c) Dollar amount. No claimant shall receive a renter credit under subsection 6066(b) of this title in excess of \$2,500.00. No claimant shall receive a municipal property tax credit under subdivision 6066(a)(2) of this title greater than ~~\$2,400.00~~ \$2,600.00.

\* \* \* Tuition \* \* \*

Sec. 15. TUITION FOR FISCAL YEARS 2028–2032

Notwithstanding any provision of law to the contrary, for fiscal years 2028–2032 only, the tuition paid to a public or approved independent receiving school shall not increase from the prior year by more than the relative percentage change in statewide education spending between the previous fiscal year and the fiscal year preceding that. The tuition overcharge or undercharge provisions contained in 16 V.S.A. § 836 shall continue to apply in fiscal years 2028–2032.

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

Sec. 16. EFFECTIVE DATES

(a) This section, Sec. 1 (yields), Sec. 3 (statewide adjustment correction), Sec. 4 (Barre TIF overpayment refund), and Sec. 5 (census grant inflator) shall take effect on July 1, 2026.

(b) Secs. 8 and 9 (one-year renter credit expansion) shall take effect on July 1, 2026, and apply to claim year 2027.

(c) Sec. 2 (excess spending exemption) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after.

(d) Secs. 6 and 7 (excess spending penalty transition) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after.

(e) Secs. 10 and 11 (circuit breaker expansion) shall take effect on July 1, 2027, and apply to fiscal year 2028 and after, except that amendments to the renter credit shall apply to claim year 2028 and after.

(f) Sec. 15 (tuition for fiscal years 2028–2032) shall take effect on July 1, 2027, and apply to fiscal years 2028–2032.

(g) Sec. 12 (excess spending repeal) shall take effect on June 30, 2029.

(h) Secs. 13 and 14 (conforming changes for foundation formula) shall take effect on July 2, 2029.

*SEN. ANN E. CUMMINGS  
SEN. THOMAS I. CHITTENDEN  
SEN. SCOTT L. BECK  
Committee on the part of the Senate*

*REP. EMILIE K. KORNHEISER  
REP. CHARLES A. KIMBELL  
REP. MARTHA A. FELTUS  
Committee on the part of the House*

#### **H. 951.**

An act relating to making appropriations for the support of the government.

(For text of Report of Committee of Conference, see Addendum to Senate Calendar for May 29, 2026)

*ANDREW J. PERCHLIK  
VIRGINIA V. LYONS  
RICHARD A. WESTMAN*

*Committee on the part of the Senate*

*ROBIN P. SCHEU  
MARTHA A. FELTUS  
TIFFANY BLUEMLE*

*Committee on the part of the House*

## H. 955.

An act relating to next steps in transforming Vermont's education system.

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.955.** An act relating to next steps in transforming Vermont's education system.

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 as follows:

First: In Sec. 1, findings; legislative intent, in subsection (a) by striking out subdivision (4) in its entirety and by renumbering the remaining subdivisions to be numerically correct.

Second: In Sec. 2, 16 V.S.A. chapter 10, in section 603, in subdivision (a)(1), by striking out subdivisions (D) and (E) in their entireties and inserting in lieu thereof three new subdivisions to be subdivisions (D), (E), and (F) to read as follows:

(D) Maple Run Unified Union Supervisory District;

(E) Milton Supervisory District; and

(F) Missisquoi Valley Supervisory District.

Third: In Sec. 2, 16 V.S.A. chapter 10, in section 603, in subdivision (a)(2), by striking out subdivisions (D), (E), and (F) in their entireties and inserting in lieu thereof two new subdivisions to be subdivisions (D) and (E) to read as follows:

(D) South Burlington Supervisory District; and

(E) Winooski Supervisory District.

Fourth: In Sec. 2, 16 V.S.A. chapter 10, section 603, in subdivision (a)(5) by striking out subdivision (5) in its entirety and inserting in lieu thereof a new subdivision (5) to read as follows:

(5) Mountain Views Supervisory Union, which is composed of the member school districts of the Pittsfield School District and the Mountain Views School District;

Fifth: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(1), following "16 V.S.A. §§ 706 and 707." by inserting "A merger committee member shall be a current

member of a school board participating in that particular merger committee. If the school board member assigned to a merger committee is no longer a member of the member's appointing school board for any reason, the school board shall appoint a new member to the merger committee."

Sixth: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(4), by striking out subdivision (A) in its entirety and inserting in lieu thereof a new subdivision (A) to read as follows:

(A)(i) If a merger committee identifies a school district as necessary that is not a member of the merger committee or that is not a member of the CESA, or both, the merger committee shall work with the applicable facilitator or facilitators to adjust merger committee membership as necessary.

(ii) A school district may join a different merger committee than the one it was assigned to by a facilitator if a majority of the school board members vote to leave the assigned merger committee and join a new merger committee.

Seventh: In Sec. 13, union school district creation consultation and facilitation; merger committees, in subdivision (b)(5), following "determined it was inadvisable to form a new unified union school district." by inserting "The report shall be transmitted to the Secretary of Education and the State Board of Education at the same time."

Eighth: In Sec. 13, union school district creation consultation and facilitation; merger committees, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Secretary review. The Secretary shall review the report and proposed articles of agreement of any merger committee that determines it is advisable to propose the formation of a new unified union school district and submit a recommendation to the State Board. If the Secretary fails to submit the Secretary's recommendation to the State Board within 30 days following the receipt of the report and proposed articles of agreement or on or before December 1, 2027, whichever date shall occur first, the State Board shall take action pursuant to 16 V.S.A. § 709(c) regardless of whether the Secretary submits a recommendation regarding the proposed unified union school district.

Ninth: In Sec. 14, guidance for merger committee groupings, by striking out subdivisions (1)–(18) in their entireties and inserting in lieu thereof 20 new subdivisions to be subdivisions (1)–(20) to read as follows:

(1) Group one: Addison Central School District, Addison Northwest School District, Lincoln School District, and Mount Abraham Unified School District.

(2) Group two: Barstow Unified School District, Ira School District, Mill River Unified Union School District, Otter Valley Unified Union School District, Quarry Valley Unified Union School District, Rutland City School District, Rutland Town School District, and Slate Valley Unified Union School District.

(3) Group three: Mettawee School District, Stratton School District, Taconic and Green Regional School District, Wells Spring Unified Union School District, and Winhall School District.

(4) Group four: Arlington School District, Mount Anthony Union High School District #14, North Bennington Graded School District, Sandgate School District, and Southwest Vermont Union Elementary School District.

(5) Group five: Halifax School District, Readsboro School District, Searsburg School District, Somerset School District, Stamford School District, Twin Valley Unified School District, Vernon Town School District, and Windham Southeast School District.

(6) Group six: Athens Grafton School District, Bellows Falls Union High School District, Marlboro School District, River Valleys Unified School District, Rockingham School District, West River Modified Union Education District, Westminster School District, and Windham School District.

(7) Group seven: Green Mountain Unified School District, Ludlow-Mount Holly Unified Union School District, and Springfield School District.

(8) Group eight: Hartford School District, Hartland School District, Mount Ascutney School District, Mountain Views School District, Pittsfield School District, and Weathersfield School District.

(9) Group nine: Echo Valley Community School District, First Branch Unified School District, Granville-Hancock Unified District, Orange Southwest Unified Union School District, Rochester-Stockbridge Unified District, Sharon School District, Stafford School District, and White River Unified District.

(10) Group 10: Blue Mountain Union School District, Cabot School District, Caledonia Cooperative School District, Danville School District, Peacham School District, Oxbow Unified Union School District, Thetford Town School District, Twinfield Unified School District, and Waits River Valley Union School District #36.

(11) Group 11: Canaan School District, Essex North Supervisory Union, Kingdom East Unified Union School District, NEK Choice School District, and St. Johnsbury School District.

(12) Group 12: Brighton School District, Charleston School District, Coventry School District, Derby School District, Holland School District, Jay School District, Lake Region Union Elementary-Middle School District, Lake Region Union High School District, Lowell School District, Morgan School District, Newport City School District, Newport Town School District, North Country Union High School District, North Country Union Junior High School Board, Troy School District, and Westfield School District.

(13) Group 13: Mount Mansfield Unified Union School District and Champlain Valley School District.

(14) Group 14: Essex Westford Educational Community Unified Union School District.

(15) Group 15: Cambridge School District, Craftsbury School District, Elmore-Morristown Unified Union School District, Hazen Union School District, Lamoille North Modified Unified Union School District, Mountain View Union Elementary School District, Stannard Town School District, Stowe School District, and Wolcott School District.

(16) Group 16: Enosburgh-Richford Unified Union School District, Northern Mountain Valley Unified Union School District, and Missisquoi Valley School District.

(17) Group 17: Fairfax School District, Fletcher School District, Georgia School District, and Maple Run Unified School District.

(18) Group 18: Burlington School District, South Burlington School District, and Winooski ID.

(19) Group 19: Alburgh School District, Champlain Islands Unified Union School District, Colchester School District, Milton Town School District, and South Hero School District.

(20) Group 20: Barre Unified Union School District, Harwood Unified Union School District, Montpelier Roxbury School District, Paine Mountain School District, and Washington Central Unified Union School District.

Tenth: By striking out Sec. 24, tuition in excess of foundation formula; legislative intent, in its entirety and inserting in lieu thereof a new Sec. 24 to read as follows:

Sec. 24. 16 V.S.A. § 828 is amended to read:

§ 828. TUITION TO APPROVED SCHOOLS; AGE; APPEAL

\* \* \*

(e) A school eligible to receive tuition pursuant to this section shall be prohibited from requiring tuition from a student attending the school, according to the provisions of this chapter, above the amount of tuition paid by a sending school district pursuant to section 823 of this chapter.

Eleventh: By striking out Sec. 24a, deleted, in its entirety and inserting in lieu thereof a new Sec. 24a to read as follows:

Sec. 24a. SCHOOL FEES; REPORT

On or before January 1, 2027, the Agency of Education 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 with the following:

(1) information regarding the fees charged by public schools for both tuitioned students and resident students;

(2) information regarding fees charged by approved independent schools that are eligible to receive public tuition to students attending the school on public tuition; and

(3) recommendations for any guardrails necessary on a school's ability to charge fees to a publicly funded student under the foundation formula.

Twelfth: In Sec. 27, intradistrict budgeting; Agency of Education; District Quality Standards; rulemaking, by striking out "December 31, 2028" and inserting in lieu thereof "June 1, 2028"

Thirteenth: By striking out Sec. 29a, 2025 Acts and Resolves No. 73, Sec. 7, in its entirety and inserting in lieu thereof a new Sec. 29a to read as follows:

Sec. 29a. 2025 Acts and Resolves No. 73, Sec. 7 is amended to read:

Sec. 7. FAILURE TO COMPLY WITH EDUCATION QUALITY STANDARDS; STATE BOARD ACTION

(a) Notwithstanding 16 V.S.A. § 165(b)(4) and (5) and any other provision of law to the contrary, the State Board shall be prohibited from ordering school district consolidation or school consolidation if a school fails to comply with class size minimum education quality standards and the resulting consolidation would result in school construction costs in excess of the applicable district's capital reserve account until the General Assembly establishes new school district boundaries and takes further action regarding the consequences for failure to meet education quality standards.

(b) Notwithstanding 16 V.S.A. § 165(a)(9)(C) and (b), a school’s failure to comply with the class size minimum requirements contained in 16 V.S.A. § 165(a)(9) shall not count towards the three consecutive school years of noncompliance that enables the Secretary to recommend action to the State Board until the State Board adopts updates to the Education Quality Standards rule 2000 series, Agency of Education, Education Quality Standards (22-000-003) to reflect the addition of class size minimums to the education quality standards, or July 1, 2027, whichever date shall come first.

Fourteenth: By adding two new reader assistance headings and three new sections to be Secs. 29c, 29d, and 29e to read as follows:

\* \* \* Definitions \* \* \*

Sec. 29c. 16 V.S.A. § 11 is amended to read:

§ 11. CLASSIFICATIONS AND DEFINITIONS

(a) As used in this title, unless the context otherwise clearly requires:

\* \* \*

(36) “Average class size” means the total number of students enrolled across all classes included in a grade band or content area, as applicable, divided by the total number of individual classes contained in a grade band or content area, as applicable, calculated separately for each school and each grade band or content area, as specified in subdivision 165(a)(9) of this title; provided, however, that the following shall not be included in the determination of average class size:

(A) prekindergarten, kindergarten, career and technical education, flexible pathways, terminal courses, advanced placement courses, courses that require specialized equipment, and driver’s education classes;

(B) small group services for the purpose of providing special education, supplemental or targeted academic intervention, or English learner instruction; and

(C) specialized or targeted academic opportunities.

(37) “Class” means a group of students, taught by a single teacher or team of teachers, organized for instruction in specific subjects or grade levels, for a defined period during the regular school day. Each course section shall be counted as a separate class. A class with more than one teacher of record shall be counted as a single class.

(38) “Content area” means a grouping of courses aligned to a single educator endorsement area as defined by the Vermont Standards Board for Professional Educators.

(39) “Full-time equivalent class” means the proportion of instructional time relative to a full school year.

(40) “School” means a public or independent educational institution with assigned staff, including teachers and administrators, that serves students within a dedicated building and that is identified by a unique state school identification number assigned by the National Center for Education Statistics.

(41) “School day” means the hours between the latest time at which a student may arrive at school and not be considered late and the time a student is dismissed from school, on a student attendance day.

(42) “Student” means a pupil enrolled in and assigned to a school as of October 1.

(43) “Teacher of record” means the educator primarily responsible for delivering instruction, assessing student learning, and assigning grades for a class, as designated in a school district’s student information system.

\* \* \*

#### Sec. 29d. DEFINITION RULEMAKING; STATE BOARD OF EDUCATION

The State Board of Education shall adopt rules pursuant to 3 V.S.A. chapter 25 that establish definitions for the terms contained in 16 V.S.A. § 11(a)(36)–(43). The Board may adopt rules pursuant to this section with definitions for the terms that differ from the definitions contained in statute.

\* \* \* Prospective Repeals \* \* \*

#### Sec. 29e. PROSPECTIVE REPEALS

(a) 16 V.S.A. § 11(a)(36)–(43) are repealed on the July 1 following the effective date of rules adopted pursuant to Sec. 29d of this act.

(b) 16 V.S.A. § 828(e) shall be repealed on July 1, 2029, if the cost-factor foundation formula report required pursuant to 2025 Acts and Resolves No. 73, Sec. 45a contains evidence that it costs more to educate students in grades nine through 12 but the General Assembly has failed to enact legislation to add a secondary student weight.

Fifteenth: In Sec. 66a, Facilities Master Plan Grant Program; appropriation, by striking out “\$900,000.00” and inserting in lieu thereof

“\$800,000.00” and striking out “study committee” and inserting in lieu thereof “merger committee”

Sixteenth: In Sec. 67, Agency of Education, State Aid For School Construction; rulemaking, in subdivision (1), by striking out “study committee” and inserting in lieu thereof “merger committee”

Seventeenth: In Sec. 68a, State Aid For School Construction Program; intent, by striking out “Treasurer’s” and inserting in lieu thereof “Capital Debt Affordability Advisory Committee’s”

Eighteenth: In Sec. 69, 16 V.S.A. § 3440, in subsection (b), by striking out “study committee” and inserting in lieu thereof “merger committee”

Nineteenth: By striking out Sec. 74, 16 V.S.A. § 4033, in its entirety and inserting in lieu thereof a new Sec. 74 to read as follows:

Sec. 74. 16 V.S.A. § 4033 is added to read:

§ 4033. LEGACY DEBT AID

(a) A school district shall be eligible to receive legacy debt aid pursuant to this section only if the district is not identified as a bad faith participant in the facilitator report submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a merger committee to study the advisability of forming a unified union school district.

(b) An eligible school district’s legacy debt aid shall equal 75 percent of the debt service cost of any debt that is approved by the voters of the district related to facility construction and renovation and for which construction has begun as of December 31, 2024.

(c) Aid shall be awarded annually for annual debt service costs up to a maximum total annual amount of \$45,750,000.00 and is subject to an annual appropriation for the purposes of the legacy debt aid.

(d) On or before February 15, 2029, a school district that is identified as a bad faith participant in the facilitator report submitted pursuant to Sec. 15 of legislation enacted by the General Assembly in 2026 that requires each school board to participate in a merger committee to study the advisability of forming a unified union school district may appeal the facilitator’s determination to the Secretary of Education in order to receive aid under this section.

(e) On or before May 15, 2029, the Secretary of Education shall determine whether each school district that has submitted an appeal pursuant to subsection (d) of this section shall receive aid under this section. The Secretary’s determination shall be final and shall not be subject to appeal. The

Secretary shall develop written policies to implement the appeals process under this section.

Twentieth: By striking out Sec. 77, 32 V.S.A. § 5401(22), in its entirety and inserting in lieu thereof a new Sec. 77 to read as follows:

Sec. 77. 32 V.S.A. § 5401(22) is amended to read:

(22) “Supplemental district spending” means the spending that the voters of a school district approve in excess of the school district’s educational opportunity payment, as defined in 16 V.S.A. § 4001(17), for the fiscal year, plus the annual debt service costs on any legacy school construction debt not covered by legacy debt aid pursuant to 16 V.S.A. § 4033, provided that the voters of a school district other than an interstate school district shall not approve spending in excess of five percent of the product of the base amount, as defined in 16 V.S.A. § 4001(16), and the school district’s long-term membership, as defined in 16 V.S.A. § 4001(7). The cap on supplemental district spending shall not apply to school construction expenditures.

Twenty-first: In Sec. 80, educational opportunity payments; tuition; transition; fiscal years 2030–2033, in subdivision (c)(2), by striking out “2031” and inserting in lieu thereof “2030”

Twenty-second: In Sec. 86, effective dates, in subdivision (6), preceding “Sec. 29 (16 V.S.A. § 4019)” by inserting “Sec. 24 (16 V.S.A. § 828(e)),”

*SEN. SETH BONGARTZ*

*SEN. RUTH E. HARDY*

*SEN. CHRISTOPHER P. MATTOS*

*Committee on the part of the Senate*

*REP. PETER C. CONLON*

*REP. EMILIE K. KORNHEISER*

*REP. BETH M. QUIMBY*

*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. *[Received May 11, 2026]*