

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Energy and Digital Infrastructure to which was referred
3 House Bill No. 718 entitled “An act relating to building energy efficiency”
4 respectfully reports that it has considered the same and recommends that the
5 bill be amended by striking out all after the enacting clause and inserting in
6 lieu thereof the following:

7 * * * Findings * * *

8 Sec. 1. FINDINGS

9 The General Assembly finds that:

10 (1) Public policy for several years has implemented strategies to
11 stimulate construction to relieve Vermont’s severe housing shortage. These
12 actions are gaining momentum without appropriate construction standards for
13 one- and two-unit dwellings and with uneven application of energy efficiency
14 standards.

15 (2) Recommendations by stakeholders and building efficiency experts in
16 the 2023 Building Energy Code Study Committee and the 2024 and 2025
17 Building Energy Code Working Group consistently find that Vermont’s
18 mandatory energy codes, the Residential Building Energy Standards (RBES)
19 and the Commercial Building Energy Standards (CBES), are a subset of
20 building construction codes and should eventually be administered by the
21 Division of Fire Safety, which administers all other building codes.

1 (3) Vermont has not adopted a residential building construction code
2 applicable to one- and two-unit dwellings, which means that for these
3 buildings there is no administrative infrastructure or enforcement mechanism
4 for implementing energy codes consistently and effectively. Lack of a
5 residential building code also means Vermont lacks a standard-of-care
6 reference for the public, builders, designers, insurance companies, or the
7 courts, and such lack also may limit the State’s ability to access certain federal
8 funding.

9 (4) Lack of consistent and effective implementation and enforcement of
10 the RBES in particular has resulted in low compliance rates, according to
11 studies by the Department of Public Service.

12 (5) Recommendations of the 2024 and 2025 Working Group include
13 leveraging the Office of Professional Regulation’s (OPR’s) residential
14 contractor registry to provide market incentives to contractors to register and
15 obtain voluntary certifications, including in energy codes. However, the
16 registry has not so far proved effective for the public, contractors, or OPR.

17 (6) OPR does not have adequate resources to make substantial
18 improvements to the registry. The 2025 Working Group recommended
19 convening a Task Force and appropriating funding to assist OPR.

20 (7) While the RBESs do apply to single-family residences, the
21 Department of Public Service has advised the General Assembly that enabling

1 legislation does not provide clear authority for municipalities to administer and
2 enforce the RBES at the local level. Some municipalities do wish to have that
3 authority.

4 * * * Residential Building Code * * *

5 Sec. 2. ADOPTION OF RESIDENTIAL BUILDING CODE

6 On or before January 15, 2027, the Director of Fire Safety shall complete an
7 assessment on whether and how the State should adopt a residential building
8 code. The Director shall submit the report with the recommendation to the
9 House Committees on Energy and Digital Infrastructure and on General and
10 Housing and the Senate Committee on Economic Development, Housing and
11 General Affairs.

12 * * * Task Force * * *

13 Sec. 3. RESIDENTIAL CONTRACTOR REGISTRY TASK FORCE;

14 REPORTS

15 (a) Creation. There is created the Residential Contractor Registry Task
16 Force to improve the existing residential contractor registry and expedite the
17 creation of certain voluntary certifications. The Task Force shall act in an
18 advisory capacity to Office of Professional Regulation (OPR).

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

- 1 (1) one member appointed by the Secretary of State;
- 2 (2) one member appointed by the Commissioner of Public Safety;
- 3 (3) one member appointed by the Vermont Builders and Remodelers
- 4 Association;
- 5 (4) one member appointed by the American Institute of Architects
- 6 Vermont;
- 7 (5) one member appointed by the Secretary of Education;
- 8 (6) one member appointed by the Chancellor of the Vermont State
- 9 Colleges System;
- 10 (7) one member from the Office of Economic Opportunity's
- 11 Weatherization Assistance Program;
- 12 (8) one member from the Vermont League of Cities and Towns;
- 13 (9) one member appointed by Efficiency Vermont;
- 14 (10) one member appointed by the Commissioner of Public Service;
- 15 (11) one member from the Vermont Attorney General's office;
- 16 (12) one member from Associated Builders and Contractors of New
- 17 Hampshire and Vermont;
- 18 (13) one member from Associated General Contractors of Vermont;
- 19 (14) one residential contractor not affiliated with Associated Builders
- 20 and Contractors of New Hampshire and Vermont or Associated General
- 21 Contractors of Vermont, appointed by the Governor; and

1 (15) one member of the public appointed by the Governor.

2 (c) Powers and duties. The Task Force shall advise OPR on ways to:

3 (1) address shortcomings in the existing residential contractor registry,
4 including:

5 (A) improving public-facing web presence;

6 (B) identifying cost-efficient outreach strategies to the public and
7 residential contractors;

8 (C) identifying and creating lists of trade specialties; and

9 (D) clarifying the relationship between business-based registrations
10 and individual-based certifications;

11 (2) expedite the creation of voluntary certifications, including
12 identifying, vetting and recommending credentialing entities, with initial
13 certifications in the following or similar subject areas:

14 (A) construction site supervisor;

15 (B) basic energy code, both residential and commercial; and

16 (C) high-performance building;

17 (3) assess how to improve the energy education modules required under
18 3 V.S.A. § 138 and whether they should be administered by the Department of
19 Public Service;

20 (4) assess whether the type of regulation for residential contractors
21 should be changed from registration to certification or licensure;

1 (5) assess whether and how the regulating entity for residential building
2 contractors should be transferred from the Office of Professional Regulation to
3 the Division of Fire Safety; and

4 (6) consider any other strategies to improve and streamline the
5 regulation of the residential construction industry.

6 (d) Assistance.

7 (1) The Task Force shall have the administrative, technical, and legal
8 assistance of the Office of Professional Regulation.

9 (2) The Division of Fire Safety and Department of Public Service shall
10 provide informational assistance and technical expertise to the Task Force
11 regarding issues related to building codes and energy performance.

12 (e) Reports. Beginning in 2026, the Task Force shall submit annual reports
13 on or before November 1 to the Office of Professional Regulation, the House
14 Committees on Energy and Digital Infrastructure and on General and Housing,
15 and the Senate Committees on Economic Development, Housing and General
16 Affairs and on Natural Resources and Energy with its findings and any
17 recommendations for legislative action.

18 (f) Meetings.

19 (1) The member appointed by the Secretary of State shall call the first
20 meeting of the Task Force to occur on or before August 1, 2026, and the Task

Force shall then meet at least monthly through July 2027 and then thereafter at least every other month.

(2) The Task Force shall select a chair from among its members at the first meeting.

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

(4) The Task Force shall cease to exist on June 30, 2029.

(g) Compensation and reimbursement.

(1) Members of the Task Force who are not otherwise compensated by their employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010.

(2) Payments to members of the Task Force authorized under this subsection shall be made from monies appropriated to the Office of Professional Regulation.

* * * Energy Education * * *

* * * Architects, Engineers, and Property Inspectors * * *

Sec. 4. 3 V.S.A. § 138 is amended to read:

§ 138. REQUIRED EDUCATION FOR SPECIFIED LICENSEES; STATE
ENERGY GOALS

* * *

1 (b) The Office shall require each of the licensees described in subsection
2 (a) of this section to complete an education module regarding the State's
3 energy goals and how each licensee's specific profession can further those
4 goals.

5 (1) The education module ~~shall be not more than two hours and~~ shall be
6 required as a condition of initial licensure and each license renewal. The
7 module shall explain how the work of the profession or trade intersects with
8 the energy codes and affects the energy, air flow, and moisture management
9 dynamics of the building as an integrated system and include education on any
10 State or utility incentives relevant to the profession.

11 ~~(A) The education module for initial licensure shall provide general~~
12 ~~information regarding the State's energy goals.~~

13 ~~(B) The education module for license renewal shall provide any~~
14 ~~updates on the State's energy goals and any updates regarding corresponding~~
15 ~~State energy programs applicable to the profession.~~

16 (2) The Office shall consider any recommendations on these education
17 modules provided by relevant stakeholders and approve education modules in
18 consultation with the Agency of Natural Resources and the Department of
19 Public Service for all the licensees set forth in subsection (a) of this section and
20 in consultation with the Department of Taxes for real estate appraisers and real
21 estate brokers and sales persons. Beginning January 1, 2028, and every 3 years

1 thereafter, the Office shall review these education modules, consider
2 recommendations by relevant stakeholders, and update the modules as
3 necessary.

4 * * * Heating Equipment Technicians * * *

5 Sec. 5. 20 V.S.A. § 2731 is amended to read:

6 § 2731. RULES; INSPECTIONS; VARIANCES

7 (a) Rules.

8 (1) The Commissioner is authorized to adopt rules regarding the
9 construction of buildings, maintenance and operation of premises, and
10 prevention of fires and removal of fire hazards, and to prescribe standards
11 necessary to protect the public, employees, and property against harm arising
12 out of or likely to arise out of fire.

13 (2)(A) The Commissioner shall require each of the following certificants
14 to complete an education module regarding the State's energy goals and how
15 each certificant's specific profession can further those goals:

16 * * *

17 (B) The education module shall be not more than two hours and shall
18 be required as a condition of initial certification and certification renewal. The
19 module shall explain how the work of the profession or trade intersects with
20 the energy codes and affects the energy, air flow, and moisture management

1 dynamics of the building as an integrated system and include education on any
2 State or utility incentives relevant to the profession.

3 ~~(i) The education module for initial certification shall provide~~
4 ~~general information regarding the State's energy goals.~~

5 ~~(ii) The education module for certification renewal shall provide~~
6 ~~any updates on the State's energy goals and any updates regarding~~
7 ~~corresponding State energy programs applicable to the profession.~~

8 (C) The Commissioner shall consider any recommendations on these
9 education modules provided by relevant stakeholders and approve education
10 modules in consultation with the Agency of Natural Resources and the
11 Department of Public Service. Beginning January 1, 2028, and every 3 years
12 thereafter, the Commissioner shall review these education modules, consider
13 recommendations by relevant stakeholders, and update the modules as
14 necessary.

15 * * *

16 * * * Commissioned Boiler Inspectors * * *

17 Sec. 6. 20 V.S.A. § 2884 is amended to read:

18 § 2884. QUALIFICATIONS OF INSPECTORS

19 * * *

1 (b) ~~Education. The Commissioner shall require each boiler inspector to~~
2 ~~complete an education module regarding the State's energy goals and how the~~
3 ~~boiler inspection profession can further those goals.~~

4 ~~(1) The education module shall be not more than two hours and shall be~~
5 ~~required as a condition of initial authorization and authorization renewal. The~~
6 ~~module shall include education on any State or utility incentives relevant to the~~
7 ~~profession.~~

8 ~~(A) The education module for initial authorization shall provide~~
9 ~~general information regarding the State's energy goals.~~

10 ~~(B) The education module for authorization renewal shall provide any~~
11 ~~updates on the State's energy goals and any updates regarding corresponding~~
12 ~~State energy programs applicable to the profession.~~

13 ~~(2) The Commissioner shall consider any recommendations on these~~
14 ~~education modules provided by relevant stakeholders and approve education~~
15 ~~modules in consultation with the Agency of Natural Resources and the~~
16 ~~Department of Public Service. [Repealed.]~~

17 * * *

18 * * * Electricians * * *

19 Sec. 7. 26 V.S.A. § 905 is amended to read:

20 § 905. APPLICATION; EXAMINATIONS, EDUCATION, AND FEES

21 * * *

1 (g) Pursuant to qualifications and procedures determined by the
2 Commissioner, the Board shall, upon request, waive application fees for
3 qualified military members and military spouses.

4 (1) The education module shall be not more than two hours and shall be
5 required as a condition of initial licensure and license renewal. The module
6 shall explain how the work of the profession or trade intersects with the energy
7 codes and affects the energy, air flow, and moisture management dynamics of
8 the building as an integrated system and include education on any State or
9 utility incentives relevant to the profession.

10 ~~(A) The education module for initial licensure shall provide general~~
11 ~~information regarding the State's energy goals.~~

12 ~~(B) The education module for license renewal shall provide any~~
13 ~~updates on the State's energy goals and any updates regarding corresponding~~
14 ~~State energy programs applicable to the profession.~~

15 (2) The Commissioner shall consider any recommendations on these
16 education modules provided by relevant stakeholders and approve education
17 modules in consultation with the Agency of Natural Resources and the
18 Department of Public Service. Beginning January 1, 2028, and every 3 years
19 thereafter, the Commissioner shall review these education modules, consider
20 recommendations by relevant stakeholders, and update the modules as
21 necessary.

* * *

* * * Plumbers * * *

Sec. 8. 26 V.S.A. § 2193 is amended to read:

§ 2193. APPLICATIONS; EXAMINATIONS, EDUCATION, AND
FEES

* * *

(f) In addition to other education requirements of this subchapter, the Commissioner shall require each applicant to complete an education module regarding the State's energy goals and how the plumbing profession can further those goals.

(1) The education module shall be not more than two hours and shall be required as a condition of initial licensure and license renewal, except that master and journeyman plumbers who complete this education module shall not be required to complete this education module for any additional specialty license. The module shall explain how the work of the profession or trade intersects with the energy codes and affects the energy, air flow, and moisture management dynamics of the building as an integrated system and include education on any State or utility incentives relevant to the profession.

~~(A) The education module for initial licensure shall provide general information regarding the State's energy goals.~~

1 ~~(B) The education module for license renewal shall provide any~~
2 ~~updates on the State's energy goals and any updates regarding corresponding~~
3 ~~State energy programs applicable to the profession.~~

4 (2) The Commissioner shall consider any recommendations on these
5 education modules provided by relevant stakeholders and approve education
6 modules in consultation with the Agency of Natural Resources and the
7 Department of Public Service. Beginning January 1, 2028, and every 3 years
8 thereafter, the Commissioner shall review these education modules, consider
9 recommendations by relevant stakeholders, and update the modules as
10 necessary.

11 Sec. 9. ENERGY PROFESSIONALS REGULATION REPORT

12 The Office of Professional Regulation shall conduct a sunrise process to
13 assess whether Home Energy Rating Systems raters and energy professionals
14 should be regulated professions. On or before November 1, 2028, the Office
15 shall submit a report with its recommendations to the House Committees on
16 Energy and Digital Infrastructure and on Government Operations and Military
17 Affairs and the Senate Committees on Economic Development, Housing, and
18 General Affairs and on Natural Resources and Energy.

19 * * * Energy Code Enforcement * * *

20 Sec. 10. 30 V.S.A. § 51 is amended to read:

21 § 51. RESIDENTIAL BUILDING ENERGY STANDARDS; STRETCH

1 CODE

2 * * *

3 (j) Municipal enforcement. A municipality may enforce the RBES within
4 the municipality in compliance with this section.

5 (k) Transitional safe harbor compliance.

6 (1) This subsection applies to any residential building for which a
7 certificate of compliance with the Residential Building Energy Standards was
8 filed pursuant to this section using the 2020 RBES compliance path during the
9 period beginning on September 17, 2025, the effective date of Executive Order
10 No. 06-25 of 2025, and until such time as amendments to the RBES rules are
11 adopted.

12 (2) A building described in subdivision (1) of this subsection shall be
13 deemed to be in compliance with this section. The use of the 2020 RBES
14 compliance path during that period shall not, by itself, constitute a violation of
15 this section or of any rule adopted under this section.

16 (3) The State shall not bring an enforcement action under this section
17 based solely on the use of the 2020 RBES compliance path for a building
18 described in subdivision (1) of this subsection, and no damages, penalties, or
19 other relief shall be awarded in an action brought under subsection (g) of this
20 section based solely on such use.

21 Sec. 11. 30 V.S.A. § 53 is amended to read:

§ 53. COMMERCIAL BUILDING ENERGY STANDARDS

* * *

(h) Municipal enforcement. A municipality may enforce the CBES within the municipality in compliance with this section.

(i) Transitional safe harbor compliance.

(1) This subsection applies to any commercial building for which the builder or owner complied with the version of the 2020 Commercial Building Energy Standards as referenced in Executive Order No. 06-25 of 2025 during the period beginning on September 17, 2025, the effective date of the Executive Order, and until such time as amendments to the CBES rules are adopted.

(2) A building described in subdivision (1) of this subsection shall be deemed to be in compliance with this section. The use of the 2020 version of the CBES during that period shall not, by itself, constitute a violation of this section or of any rule adopted under this section.

(3) The State shall not bring an enforcement action under this section based solely on the use of the 2020 version of the CBES for a building described in subdivision (1) of this subsection.

Sec. 12. 24 V.S.A. § 3101 is amended to read:

§ 3101. BYLAWS AND ORDINANCES; PENALTIES

1 (a) The mayor and board of aldermen of a city, the selectboard of a town,
2 or the trustees of an incorporated village, may, in accordance with this chapter,
3 establish codes and regulations for the construction, maintenance, repair, and
4 alteration of buildings and other structures within the municipality. Such
5 codes and regulations may include provisions relating to building materials,
6 structural design, passageways, stairways and exits, heating systems, fire
7 protection procedures, and such other matters as may be reasonably necessary
8 for the health, safety, and welfare of the public, but excluding electrical
9 installations subject to regulation under 26 V.S.A. chapter 15. The adopted
10 codes and regulations may incorporate by reference the Residential Building
11 Energy Standards and the Commercial Building Energy Standards established
12 pursuant to 30 V.S.A. chapter 2.

13 (b) Any code or regulation under subsection (a) of this section shall be
14 adopted, amended, or repealed and enforced pursuant to the provisions of
15 chapter 59 of this title.

16 (c) When any municipality adopts or amends a building code, it shall
17 impose requirements consistent with the current rules and standards adopted by
18 the Commissioner of Public Safety under 20 V.S.A. chapter 173, subchapter 2.

19 * * *

1 (g) Incorporation of the Residential Building Energy Standards and the
2 Commercial Building Energy Standards pursuant to subsection (a) of this
3 section shall allow the municipality to enforce those standards.

4 * * * Appropriations * * *

5 Sec. 13. APPROPRIATIONS

6 Notwithstanding any provision of law to the contrary:

7 (1) In fiscal year 2027, the sum of \$200,000.00 is appropriated from the
8 General Fund to the Department of Public Service for the purpose of funding,
9 as part of the energy efficiency utilities' 2027–2029 Demand Resource Plans,
10 consultation and technical support to municipalities that elect to adopt and
11 enforce the Residential Building Energy Standards and the Commercial
12 Building Energy Standards.

13 (2) In fiscal year 2027, the sum of \$200,000.00 is appropriated from the
14 General Fund to the Office of Professional Regulation to support the
15 Residential Contractor Registry Task Force established in Sec. 3 of this act
16 with the goal of identifying a consumer-oriented agency or organization to host
17 a website to raise public awareness of the residential contractor registry;
18 providing funding to that agency or organization to launch and manage the
19 website on or before December 31, 2027 and supporting the Office of
20 Professional Regulation in the development of voluntary certifications.

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This act shall take effect on July 1, 2026.

Representative _____

FOR THE COMMITTEE