

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Government Operations and Military Affairs to which
3 was referred House Bill No. 397 entitled “An act relating to miscellaneous
4 amendments to the statutes governing emergency management and flood
5 response” respectfully reports that it has considered the same and recommends
6 that the bill be amended by striking out all after the enacting clause and
7 inserting in lieu thereof the following:

8 * * * Division of Emergency Management; Plans and Reports * * *

9 Sec. 1. 20 V.S.A. § 3a is amended to read:

10 § 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

11 (a) In addition to other duties required by law, the Division of Emergency
12 Management shall:

13 * * *

14 (3) Annually on or before the last legislative day in January, provide an
15 update and presentation to the House Committee on Government Operations
16 and Military Affairs and the Senate Committee on Government Operations
17 concerning all action items in the all-hazards mitigation plan required by
18 subdivision (1) of this subsection.

19 * * *

20 Sec. 2. 20 V.S.A. § 41 is amended to read:

21 § 41. STATE EMERGENCY MANAGEMENT PLAN

1 The Department of Public Safety’s Vermont Emergency Management
2 Division, in collaboration with the Chief Recovery Officer and in consultation
3 with regional planning commissions, the Vermont League of Cities and
4 Towns, and Vermont’s long-term recovery groups, shall create, and republish
5 as needed, but not less than every five years, a comprehensive State
6 Emergency Management Plan. The Plan shall:

7 (1) detail response systems during all-hazards events, including
8 communications, coordination among State, local, private, and volunteer
9 entities, and the deployment of State and federal resources. ~~The Plan shall also;~~

10 (2) detail the State’s emergency preparedness measures and goals,
11 including those for the prevention of, protection against, mitigation of, and
12 recovery from all-hazards events. ~~The Plan shall;~~

13 (3) include templates and guidance for regional emergency management
14 and for local emergency plans that support municipalities in their respective
15 emergency management planning; and

16 (4) provide a framework for municipalities to develop and implement:

17 (A) emergency parking plans for areas within a municipality affected
18 by an all-hazard event;

19 (B) municipal plans and systems to ensure that vulnerable
20 populations, including aging populations and individuals with disabilities,

1 within the municipality are contacted and visited to ensure their safety and
2 wellness during an all-hazard event;

3 (C) emergency notification systems to provide real-time alerts to
4 residents, which shall utilize multichannel communication systems; and

5 (D) training to support the officers and staff that municipalities are
6 required to maintain following an all-hazard event, including individual
7 assistance coordinators and disaster waste coordinators.

8 * * * Voluntary Buyout Program and Voluntary Buyout Reimbursement
9 Program * * *

10 Sec. 3. 20 V.S.A. § 51 is added to read:

11 § 51. FLOOD-PRONE PROPERTIES; VOLUNTARY BUYOUT
12 PROGRAM

13 The Division of Emergency Management and the Agency of Commerce and
14 Community Development shall establish and maintain the Voluntary Buyout
15 Program for flood-prone properties. The Program shall allow a municipality,
16 at the request of the owner of a flood-prone property, to apply for funding to
17 cover the purchase price of the property. The purchase price shall be the full
18 fair market value of the flood-prone property. The municipality shall maintain
19 the acquired property as open space with a deed restriction or covenant
20 prohibiting development of the property.

21 Sec. 4. 32 V.S.A. § 3710 is added to read:

1 § 3710. VOLUNTARY BUYOUT REIMBURSEMENT PROGRAM

2 (a) There is established the Voluntary Buyout Reimbursement Program to
3 reimburse municipalities for the value of municipal property taxes associated
4 with the flood-prone properties acquired by a municipality pursuant to 20
5 V.S.A. § 51 and preserved as public open space with a deed restriction or
6 covenant prohibiting development of the property.

7 (b) On or before September 1 of each year, the Commissioner of Public
8 Safety shall certify the properties eligible for the Program to the Commissioner
9 of Taxes along with any other information required by the Commissioner of
10 Taxes. To be eligible for reimbursement under the Program, a municipality
11 must have acquired an eligible property on or after July 1, 2023 and preserved
12 the property as public open space with a deed restriction or covenant
13 prohibiting development of the property. The Commissioner of Public Safety
14 shall first certify properties to the Commissioner of Taxes pursuant to this
15 subsection on or before September 1, 2025.

16 (c) The Commissioner of Taxes shall certify the Program payment amounts
17 to the Secretary of Administration. The Secretary shall make an annual
18 payment to each municipality for each eligible property to compensate for the
19 loss of municipal property tax. The payment shall be calculated using the
20 grand list value of the acquired property for the year during which the property
21 was either damaged by flooding or identified as flood-prone by the

1 Commissioner of Public Safety, multiplied by the municipal tax rate, including
2 any submunicipal tax rates, in effect each year. This payment shall be made on
3 or before January 1 of each year for five years.

4 (d) If a municipality has received payment for any acquired property under
5 subsection (c) of this section for five consecutive years, it shall be eligible for
6 payment for ensuing five year periods in an amount equal to one-half of the
7 initial annual payment calculated under subsection (c).

8 (e) Payments made pursuant to this section shall be paid from the PILOT
9 Special Fund established under section 3709 of this subchapter. Payments
10 shall be disbursed only after all other requirements of subchapter 4 of this
11 chapter are met. If the PILOT Special Fund balance is insufficient to pay the
12 full amount of all payments authorized under this subchapter, then payments
13 calculated under this section and due to each eligible municipality for each
14 property shall be reduced proportionately.

15 Sec. 5. VOLUNTARY BUYOUT REIMBURSEMENT PROGRAM;

16 TRANSFERS FROM PILOT SPECIAL FUND

17 Notwithstanding any provision of 32 V.S.A. § 3709 to the contrary, in fiscal
18 year 2026 the Commissioner of Finance and Management shall transfer from
19 the PILOT Special Fund to the Voluntary Buyout Reimbursement Program
20 \$1,000,000.00 for purposes of the administration of the Program.

21 * * * Division of Emergency Management; Assistance to Municipalities * * *

1 Sec. 6. DIVISION OF EMERGENCY MANAGEMENT; POSITIONS;
2 APPROPRIATION

3 (a) The following positions are created in the Division of Emergency
4 Management:

5 (1) one full-time, exempt Municipal Grant Liaison; and

6 (2) one full-time, exempt All-Hazard Mitigation Technician.

7 (b) The Municipal Grant Liaison shall be dedicated to grant research, grant
8 applications support, coordination between municipal corporations and the
9 Federal Emergency Management Agency, and direct assistance to municipal
10 corporations for the acquisition of grants and other funding sources for all-
11 hazard relief and recovery efforts. The Flood Mitigation Technician shall be
12 dedicated to providing or supporting engineering analyses for all-hazard
13 mitigation projects, oversight of municipal remediation and recovery projects,
14 and managing technical assistance to municipal corporations for all-hazard
15 recovery.

16 Sec. 7. DIVISION OF EMERGENCY MANAGEMENT; ALL-HAZARD
17 AND WEATHER ALERT SYSTEMS FOR MUNICIPAL
18 CORPORATIONS

19 Upon request of a municipal corporation, the Division of Emergency
20 Management, in collaboration with regional planning commissions and the

1 Vermont League of Cities and Towns, shall assist the municipal corporation
2 with access to and development of the following:

3 (1) surface water flood monitoring devices, which shall automatically
4 trigger notification systems for emergency services providers and residents;

5 (2) alert systems that are integrated with a statewide weather alert
6 system for real-time updates during severe weather events; and

7 (3) connection to a statewide enhanced weather alert system that:

8 (A) predicts local and regional conditions using advanced modeling;

9 and

10 (B) issues real-time warnings for flooding, blizzards, and ice storms
11 through multiple communication channels.

12 * * * Needs Assessment Report * * *

13 Sec. 8. DIVISION OF EMERGENCY MANAGEMENT; STATE

14 STAKEHOLDERS; NEEDS ASSESSMENT; REPORT

15 The Division of Emergency Management, Chief Recovery Officer, Agency
16 of Commerce and Community Development, Agency of Natural Resources,
17 and Agency of Transportation shall conduct a needs assessment to identify any
18 additional staffing, resources, technical needs, or authority needed to carry out
19 the provisions of this act. On or before November 15, 2025, the Division shall
20 submit a written report to the House Committees on Appropriations and on
21 Government Operations and Military Affairs and the Senate Committees on

1 Appropriations and on Government Operations containing the needs
2 assessments conducted by the State agencies and departments identified in this
3 section.

4 * * * Vermont Community Radio Program * * *

5 Sec. 9. VERMONT COMMUNITY RADIO GRANT PROGRAM

6 (a) Findings. The General Assembly finds that:

7 (1) Vermont's seven active community radio stations currently serve
8 over 200,000 Vermonters, many in rural and underserved areas.

9 (2) Community radio stations have consistently provided critical
10 information during emergencies, including Tropical Storm Irene, recent severe
11 flooding, and other natural disasters.

12 (3) These stations operate with small budgets, primarily relying on
13 volunteer staff and listener donations, and are ineligible for federal funding
14 through the Corporation for Public Broadcasting due to their size.

15 (4) Upcoming FCC-approved stations in Bristol, Richmond-Underhill-
16 Jericho, and Ludlow will expand coverage to nearly all Vermont counties,
17 increasing statewide accessibility to vital community radio services.

18 (5) Investment in these stations strengthens Vermont's public safety
19 network and promotes civic engagement by providing local, hyper-focused
20 content that commercial and statewide media cannot replicate.

1 (b) Intent. The intent of this section is to ensure Vermont’s community
2 radio stations remain resilient and prepared to serve as lifelines during
3 emergencies while fostering local engagement and preserving Vermont’s
4 unique community fabric.

5 (c) Grant program.

6 (1) The Vermont Community Radio Grant Program is established to
7 provide one-time funding to community radio stations for the purpose of:

8 (A) upgrading equipment and infrastructure necessary for reliable
9 emergency broadcasting;

10 (B) procuring and installing backup generators; and

11 (C) enhancing operational sustainability through software
12 improvements and technical training.

13 (2) The Program shall be administered by the Commissioner of Public
14 Safety or designee in collaboration with the Vermont Association of
15 Broadcasters.

16 (3) Grants shall be allocated as follows:

17 (A) up to \$25,000.00 per station for seven active community radio
18 stations; and

19 (B) up to \$10,000.00 per station for three upcoming stations currently
20 under construction.

21 (4) To be eligible for a grant under the Program, an applicant shall:

1 (A) be a nonprofit, noncommercial community radio station licensed
2 in Vermont;

3 (B) demonstrate a history of providing emergency broadcasting
4 services or show the capacity to provide those services upon funding; and

5 (C) submit a detailed implementation plan for the proposed use of
6 grant funding.

7 (d) Report. On or before June 30, 2026, a community radio station that
8 receives a grant under the Program shall provide to the Commissioner of
9 Public Safety a report detailing the:

10 (1) use of grant funds, including itemized expenses;

11 (2) improvements achieved in emergency readiness and operational
12 capacity; and

13 (3) impact on community service and engagement.

14 * * * Municipal Finances and Indebtedness * * *

15 Sec. 10. 24 V.S.A. 1585 is added to read:

16 § 1585. UNASSIGNED FUND BALANCE

17 Monies from a budget approved by the voters at an annual or special
18 meeting that are not expended by the end of a municipality's fiscal year shall
19 be under the control and direction of the legislative body of the municipality
20 and may be carried forward from year to year as an unassigned fund balance.
21 Unassigned fund balances may be invested and reinvested as are other monies

1 received by a town treasurer and may be expended for any public purpose as
2 established by the legislative body of the municipality.

3 Sec. 11. 24 V.S.A. § 1790 is added to read:

4 § 1790. EMERGENCY BORROWING; ALL-HAZARD EVENT OR STATE
5 OF EMERGENCY

6 The legislative body of a municipality may borrow money, in the name of
7 the municipal corporation, by issuance of its notes or orders for the purpose of
8 paying expenses of the municipal corporation or for public improvements
9 associated with an all-hazards event or a declared state of emergency pursuant
10 to 20 V.S.A. chapter 1. The notes or orders shall be for a period of not more
11 than five years or a term not to exceed the reasonably anticipated useful life of
12 the improvements or assets financed by the notes or orders.

13 Sec. 12. 24 V.S.A. § 1759 is amended to read:

14 § 1759. DENOMINATIONS; PAYMENTS; INTEREST

15 (a)(1) Any bond issued under this subchapter shall draw interest at a rate
16 not to exceed the rate approved by the voters of the municipal corporation in
17 accordance with section 1758 of this title, or if no rate is specified in the vote
18 under that section, at a rate approved by the legislative ~~branch~~ body of the
19 municipal corporation, ~~such~~ the interest to be payable ~~semiannually~~ as
20 determined by the legislative body of the municipal corporation. ~~Such~~ The
21 bonds or bond shall be payable serially, the first payment to be deferred not

1 later than from one to five years after the issuance of the bonds and subsequent
2 principal payments or debt service payments, which include both principal and
3 interest payments, to be continued annually in ~~equal~~ substantially level or
4 ~~diminishing~~ declining amounts, as determined by the legislative body of the
5 municipality, so that the entire debt will be paid in not more than 20 years from
6 the date of issue.

7 (2) In the case of bonds issued for the purchase or development of a
8 municipal forest, the first payment may be deferred not more than 30 years
9 from the date of issuance ~~thereof of the bond. Thereafter such~~ After any
10 deferral period, the bonds or bond shall be payable annually in ~~equal~~
11 substantially level or ~~diminishing amounts~~ declining annual debt service as the
12 legislative body of the municipal corporation may determine, so that the entire
13 debt will be paid in not more than 60 years from the date of issue.

14 * * *

15 (b) General obligation bonds authorized under this subchapter for the
16 purpose of financing the improvement, construction, acquisition, repair,
17 renovation, and replacement of a municipal plant as defined in 30 V.S.A. §
18 2901 shall be paid serially, the first payment to be deferred not later than from
19 one to five years after the issuance of the bonds, and subsequent principal
20 payments or debt service payments, which include both principal and interest
21 payments, to be continued annually in substantially level or declining amounts,

1 as determined by the legislative body of the municipal corporation, so that the
2 entire debt will be paid ~~over a term equal to the useful life of the financed~~
3 ~~improvements, but~~ not more than 40 years from the date of issue, ~~and may be~~
4 ~~so arranged that beginning with the first year in which principal is payable, the~~
5 ~~amount of principal and interest in any year shall be as nearly equal as is~~
6 ~~practicable according to the denomination in which such bonds are issued,~~
7 notwithstanding other permissible payment schedules authorized by this
8 section.

9 * * * Dam Drawdown During Emergency Flood Events * * *

10 Sec. 13. 20 V.S.A. § 9 is amended to read:

11 § 9. EMERGENCY POWERS OF GOVERNOR

12 Subject to the provisions of this chapter, in the event of an all-hazards event
13 in or directed upon the United States or Canada that causes or may cause
14 substantial damage or injury to persons or property within the State in any
15 manner, the Governor may declare a state of emergency within the entire State
16 or any portion or portions of the State. Thereafter, the Governor shall have and
17 may exercise for as long as the Governor determines the emergency to exist the
18 following additional powers within such area or areas:

19 * * *

20 (12) In consultation with the Secretary of Natural Resources or
21 designee, to authorize the Agency to waive applicable permits and restrictions

1 under 10 V.S.A. chapter 47 or the Vermont Water Quality Standards to allow
2 dams within the State to draw down water levels in anticipation of a flood
3 event that is likely to cause substantial damage or injury to persons or property.
4 Waivers may only be issued if the Governor, in consultation with the Secretary
5 of Natural Resources or designee, has significant reason to believe doing so
6 will decrease the risk of substantial damage to persons or property within the
7 State. Dam operators operating under a waiver shall be required make every
8 effort to minimize the environmental impact of a water level drawdown under
9 the authorized waiver.

10 * * * Appropriations * * *

11 Sec. 14. APPROPRIATIONS

12 (a) In fiscal year 2026, the following sums are appropriated from the
13 General Fund to the Department of Public Safety:

14 (1) \$275,000.00 to support the two positions created in Sec. 6 of this act;

15 (2) \$950,000.00 to support the Urban Search and Rescue Team created
16 pursuant to 20 V.S.A. § 50; and

17 (3) \$205,000.00 for the purpose of funding the Vermont Community
18 Radio Grant Program.

19 (b) In fiscal year 2026, the sum of \$275,000.00 is appropriated from the
20 General Fund to the Agency of Natural Resources for purposes of procuring a
21 fire apparatus.

