

1 **HOUSE**

2 Sec. C.104 2023 Acts and Resolves No. 78, Sec. B.1100, as amended by 2024

3 Acts and Resolves No. 87, Sec. 40, is further amended to read:

4 Sec. B.1100 MISCELLANEOUS FISCAL YEAR 2024 ONE-TIME

5 APPROPRIATIONS

6 * * *

7 (o) Department for Children and Families. In fiscal year 2024, funds are
8 appropriated for the following:

9 (1) \$2,000,000 General Fund to implement the two-year Reach Ahead
10 Pilot Program. Funds shall be used to increase monthly food assistance
11 benefits to Reach Ahead participants, expand the eligibility window for those
12 leaving Reach Up, and provide incentive payments; unexpended appropriations
13 shall carry forward into subsequent fiscal years and remain available for this
14 purpose;

1 **COC**

2 Sec. E.126 FISCAL YEAR 2026 INCREASED LEGISLATURE BASE

3 FUNDING; LEGISLATIVE INTENT

4 (a) It is the intent of the General Assembly that of the General Fund
5 appropriation in Sec. B.126 of this act, \$1,500,000 be for expenses including
6 meetings of the General Assembly not budgeted for in prior, current, or future
7 appropriations acts. It is further the intent of the General Assembly that the
8 proposed fiscal year 2027 General Assembly budget exclude this \$1,500,000
9 from any calculation of its base appropriation amount.

1 **SENATE**

2 Sec. E.134.1 3 V.S.A. § 525 is added to read:

3 § 525. VERMONT PENSION COMMISSION; MARKET FACTOR

4 ANALYSIS FOR CLASSIFIED POSITIONS

5 (a) The Department of Human Resources shall conduct and implement a
6 market factor analysis for all classified positions within the Vermont Pension
7 Investment Commission no later than January 15, 2026, and every three years
8 thereafter.

9 (1) The market factor analysis may :

10 (A) follow all policies and procedures established by the Department
11 of Human Resources for conducting market factor analyses;

12 (B) compare total compensation for comparable positions in relevant
13 public labor markets, with particular attention to other public pension
14 investment organizations of similar asset size and investment complexity;

15 (C) consider the specialized skills, education, certifications, and
16 experience required for investment-related positions;

17 (D) evaluate recruitment and retention challenges specific to these
18 positions;

19 (E) recommend appropriate market factor adjustments when
20 warranted by the analysis; and

21 (F) include an assessment of the fiscal impact of any recommended
22 market factor adjustments.

1 **TECHNICAL UPDATE TO AVOID CONFLICT WITH H.397**

2 Sec. E.142.2 32 V.S.A. chapter 123, subchapter 4C is added to read:

3 Subchapter 4C. Municipal Grand List Stabilization Program

4 § 3710. MUNICIPAL GRAND LIST STABILIZATION PROGRAM

5 (a) There is established the Municipal Grand List Stabilization Program

6 within the Department of Taxes to reimburse municipalities for municipal

7 property taxes assessed under chapter 133 of this title for flood-prone

8 properties acquired by a municipality through a voluntary buyout program

9 operated by the Division of Emergency Management.

1 **TECHNICAL LETTER**

2 Sec. E.221 CRIMINAL JUSTICE COUNCIL; POOL POSITION

3 (a) Of the General Fund appropriation in Sec. B.221 of this act, \$115,000 is
4 to fund one permanent classified position taken from the position pool. The
5 position shall be used to establish a Canine Head Trainer at the Criminal
6 Justice Council.

1 **TECHNICAL LETTER**

2 Sec. E.236 HUMAN RIGHTS COMMISSION; POOL POSITION

3 (a) Of the General Fund appropriation in Sec. B.236 of this act, \$250,000 is
4 to fund two permanent exempt positions taken from the position pool. The
5 positions shall be used to establish an Intake Specialist and a Staff Attorney
6 Investigator at the Human Rights Commission.

1 **SENATE**

2 Sec. E.300.3 SETTLEMENT FUNDS; PRIMARY CARE; LEGISLATIVE
3 INTENT; REPORT

4 (a) On or before January 15, 2026, the Green Mountain Care Board shall
5 report to the House Committees on Health Care and on Appropriations and the
6 Senate Committees on Health and Welfare and on Appropriations regarding
7 distribution of the \$11,000,000 from the University of Vermont Medical
8 Center to non-hospital primary care providers pursuant to the Settlement
9 Agreement entered into by the University of Vermont Medical Center, Inc.,
10 University of Vermont Health Network, Inc., and the Green Mountain Care
11 Board in April 2025.

12 (b) Following receipt of the report set forth in subsection (a) of this section,
13 it is the intent of the General Assembly to identify funds appropriated by this
14 act to address shortfalls in primary care investments in fiscal year 2026 that
15 may be duplicated by the distribution of settlement funds described in
16 subsection (a) of this section and that can be redirected through the fiscal year
17 2026 budget adjustment act to provide additional supports to providers of
18 primary care, including support for a primary care practice in Waitsfield and
19 for the Maple Mountain Family Medicine Residency Program; and for mental
20 health, substance use disorder treatment, and other health care services in this
21 State.

SENATE

Sec. E.306.3 33 V.S.A. § 1811 is amended to read:

* * *

(1)(1) A registered carrier shall allow for the enrollment of a pregnant individual, and of any individual who is eligible for coverage under the terms of the health benefit plan because of a relationship to the pregnant individual, at any time after the commencement of the pregnancy. Coverage shall be effective as of the first of the month following the individual's selection of a health benefit plan.

(2) A registered carrier shall allow an individual who is eligible for advance payments of federal premium tax credits under 26 U.S.C. § 36B and whose household income for the year is expected to be not greater than 200 percent of the federal poverty level, and any individual who is eligible for coverage because of a relationship to that individual, to enroll in a health benefit plan through the Vermont Health Benefit Exchange at any time during the plan year.

1 **SENATE**

2 Sec. E.306.4 SKILLED NURSING FACILITIES GRANTS; REPORT

3 (a) As part of its fiscal year 2027 budget presentation, the Department of
4 Disabilities, Aging and Independent Living shall report to the House and
5 Senate Committees on Appropriations on the grants to skilled nursing facilities
6 funded through the appropriation made in 2024 Acts and Resolves No. 113,
7 Sec. B.1102(b)(11). The Department shall include in its report information on
8 the following:

9 (1) facilities to which grants were distributed;

10 (2) amounts of each grant distributed;

11 (3) any available information on direct impacts of grants, including
12 reduction of reliance on travel nurses and workforce retention and expansion.

13 (b) As part of its fiscal year 2027 budget presentation, the Department of
14 Disabilities, Aging and Independent Living shall, to the extent the information
15 in subdivisions (1)–(3) of this section is available, report to the House and
16 Senate Committees on Appropriations on the grants to skilled nursing facilities
17 funded through the appropriation made in Sec. B.1100(u)(2) of this act. The
18 Department shall include in its report information on the following:

19 (1) facilities to which grants were distributed;

20 (2) amounts of each grant distributed;

21 (3) any available information on direct impacts of grants, including
22 reduction of reliance on travel nurses and workforce retention and expansion.

1 **HOUSE**

2 Sec. E.306.5 TEACHING HEALTH CENTER GRADUATE MEDICAL

3 EDUCATION PROGRAM; IMPLEMENTATION FUNDING;

4 LEGISLATIVE INTENT

5 (a) Appropriations made in Sec. B.1100 subdivisions (e)(6) and (r)(4) of
6 this act are for the first year of implementation necessary to establish the
7 Maple Mountain Family Medicine Residency Program, a new Teaching Health
8 Center Graduate Medical Education Program that will increase the number of
9 family medicine residents practicing in rural regions of Vermont. It is the
10 intent of the General Assembly to appropriate funds in future fiscal years to
11 fully implement the Program.

SENATE

Sec. E.307 33 V.S.A. § 1902 is amended to read:

§ 1902. QUALIFICATION FOR MEDICAL ASSISTANCE

* * *

(b) Workers with disabilities whose income is less than 250 percent of the federal poverty level shall be eligible for Medicaid. The income also must not exceed the Medicaid protected income level for one or the Supplemental Security Income (SSI) payment level for two, whichever is higher, after disregarding the earnings of the working individual with disabilities; Social Security disability insurance benefits, including Social Security retirement benefits converted automatically from Social Security Disability Insurance (SSDI), if applicable; any veteran's disability benefits; and, if the working individual with disabilities is married, all income of the spouse. ~~Earnings of the working individual with disabilities shall be documented by evidence of Federal Insurance Contributions Act tax payments, Self-Employment Contributions Act tax payments, or a written business plan approved and supported by a third-party investor or funding source.~~ The Agency of Human Services shall adopt rules governing documentation of earnings of working individuals with disabilities. The resource limit for this program shall be \$10,000.00 for an individual and \$15,000.00 for a couple at the time of enrollment in the program. Assets attributable to earnings made after enrollment in the program shall be disregarded.

1 **SENATE**

2 Sec. E.307.1 MEDICAID AND EXCHANGE; EMERGENCY

3 RULEMAKING

4 (a) The Agency of Human Services may adopt or amend rules regarding
5 Vermont's Medicaid program and the operation of the Vermont Health Benefit
6 Exchange in accordance with 3 V.S.A. chapter 25 as needed to respond to
7 changes in State and federal law. The Agency may use the emergency rules
8 process pursuant to 3 V.S.A. § 844, but only in the event that the new State or
9 federal law requires Vermont to amend or adopt its rules in a time frame that
10 cannot be accomplished under the traditional rulemaking process. An
11 emergency rule adopted under these exigent circumstances shall be deemed to
12 meet the standard for the adoption of emergency rules required pursuant to 3
13 V.S.A. § 844(a).

LC RECOMMENDED RESPONSE TO TECHNICAL LETTER

Sec. E.312.2 18 V.S.A. § 252 is amended to read:

§ 252. HEALTH EQUITY ADVISORY COMMISSION

* * *

(c) Powers and duties. The Advisory Commission shall:

(1) provide guidance advice to the Department of Health and the General Assembly on the continued development of the Office of Health Equity, ~~which shall be established based on the Advisory Commission's recommendations not later than January 1, 2023, including on:~~

(A) the structure, responsibilities, and jurisdiction of the Office;

(B) ~~whether the Office shall be independent and, if not, in which~~

~~State agency or department it shall be situated;~~

~~(C)~~ how the Office shall be staffed;

~~(D)~~(C) the populations served and specific issues addressed by the Office; and

~~(E)(D)~~ the duties of the Office, including how grant funds shall be managed and distributed; and

~~(F) the time frame and necessary steps to establish the Office;~~

(2) provide advice and make recommendations to the Office of Health Equity, Department of Health, and General Assembly once established, including input on:

(A) any rules or policies proposed by the Office of Health Equity or Department of Health;

1 **LC RECOMMENDED RESPONSE TO TECHNICAL LETTER**

2 Sec. E.312.3 18 V.S.A. § 254 is added to read:

3 § 254. OFFICE OF HEALTH EQUITY

4 (a) There is established the Office of Health Equity within the Department
5 of Health for the purpose of eliminating avoidable and unjust disparities in
6 health among Vermonters. The Office shall use a systemic and comprehensive
7 approach that addresses those social, economic, and environmental factors that
8 influence health outcomes.

9 (b) The Office of Health Equity shall be managed by an Executive
10 Director, an individual who shall be qualified by reason of education,
11 expertise, and experience and who may have a professional degree in public
12 health, social or environmental justice, or a related field. The Executive
13 Director shall report to the Commissioner of Health, serve on a full-time basis,
14 and be exempt from classified service.

1 **SENATE**

2 Sec. E.312.4 SMOKING CESSATION GRANT REQUIREMENTS;

3 REPORT

4 (a) Prior to providing grants to Parent Child Centers from the General Fund
5 appropriation in Sec. B.1100(g)(6) of this act, the Department of Health shall
6 require that information on the use of the funds be provided by grantees in an
7 agreed-upon time frame, including the specific activities supported by the
8 funds, a description of the number of individuals served, and information on
9 the anticipated outcomes of this investment. On or before January 15, 2026,
10 the Department shall provide the House and Senate Committees on
11 Appropriations, the House Committees on Health Care and on Human
12 Services, and the Senate Committee on Health and Welfare with this
13 information and information on the outcomes achieved by previous
14 investments including the number of pregnant smokers who quit smoking as a
15 result of cessation initiatives and the number of families who reported reducing
16 tobacco usage and secondhand smoke around infants and children. Previous
17 investments made for cessation initiatives include those made in 2022 Acts and
18 Resolves No. 185, Sec. C.110(a)(1) and 2023 Acts and Resolves No. 78, Sec.
19 B.1100(n)(4).

1 **LC RECOMMENDED LANGUAGE TO ALIGN WITH H.248**

2 Sec. E.318 33 V.S.A. § 3505 is amended to read:

3 § 3505. SUPPLEMENTAL CHILD CARE GRANTS

4 (a)(1)(A) The Commissioner for Children and Families may ~~reserve~~ utilize
5 up to one-half of one percent of ~~the child care family assistance program~~ funds
6 appropriated for the Child Care Financial Assistance Program in a fiscal year
7 for extraordinary financial relief to assist child care programs that are at risk of
8 closing or not opening due to experiencing financial hardship. The
9 Commissioner may provide extraordinary financial relief under this
10 subdivision (A) to both licensed and registered child care programs and to
11 child care programs that are in the process of becoming licensed or registered.
12 The Commissioner shall develop guidelines for providing assistance and shall
13 prioritize extraordinary financial relief to child care programs in areas of the
14 State with high poverty and low access to high quality child care.

15 ~~(B) If the Commissioner determines a child care program is at risk of~~
16 ~~closure because its operations are not fiscally sustainable, he or she may~~
17 ~~provide assistance to~~ In order to transition children who are currently served by
18 ~~the~~ a child care operator program that is closing to a new child care program in
19 an orderly fashion ~~and to help secure other child care opportunities for children~~
20 ~~served by the program in an effort to minimize the disruption of services,~~ the
21 Commissioner may provide assistance to the existing or new program to
22 minimize the disruption of services to the effected children.

1 (C) The As needed to implement this subdivision (1), the
2 Commissioner has the authority to request tax returns and other financial
3 documents to verify ~~the~~ a child care program's financial hardship and its
4 ability to sustain or increase operations.

5 * * *

1 **SENATE**

2 Sec. E.333 DEPARTMENT OF DISABILITIES, AGING, AND

3 INDEPENDENT LIVING; DEVELOPMENTAL SERVICES

4 PAYMENT REFORM

5 (a)(1) The Department of Disabilities, Aging, and Independent Living shall
6 submit a written progress report to the Joint Fiscal Committee in advance of
7 the Committee's July 2025 meeting regarding the Department's design of a
8 development services payment reform model for potential implementation on
9 October 1, 2025, with a final written report to the Joint Fiscal Committee in
10 advance of the Committee's September 2025 meeting. The final report shall
11 identify how the model:

12 (A) meets all federal conflict-free case management requirements
13 have been met and aligns funding mechanisms with assessed needs; and

14 (B) ensures that the standardized rates reflect the full cost of service
15 delivery, including staffing, fringe benefits, acuity, nursing and crisis services,
16 and administrative costs.

17 (2) The final report required pursuant to this subsection shall include a
18 summary of stakeholder input, including perspectives from providers and
19 individuals served, the identification of any unresolved issues, and a plan for
20 addressing those unresolved issues in the final payment model.

21 (3) The Department shall only implement the developmental services
22 payment reform model on October 1, 2025 if the Joint Fiscal Committee
23 approves implementation at the Committee's September 2025 meeting by

1 finding that the developmental services payment reform model meets the
2 criteria in subdivisions (1)(A) and (B) of this subsection.

3 (b) On or before February 15, 2026, the Department shall provide a
4 presentation update to the House Committees on Appropriations and on
5 Human Services and to the Senate Committees on Appropriations and on
6 Health and Welfare regarding its progress implementing the developmental
7 services payment reform model.

1 **HOUSE**

2 Sec. E.504.2 16 V.S.A. § 4011 is amended to read:

3 § 4011. EDUCATION PAYMENTS

4 (a) Annually, the General Assembly shall appropriate funds to pay for
5 statewide education spending and a portion of a base education amount for
6 each adult education and secondary credential program student.

7 (b) For each fiscal year, the base education amount shall be \$6,800.00,
8 increased by the most recent New England Economic Project Cumulative Price
9 Index, as of November 15, for state and local government purchases of goods
10 and services from fiscal year 2005 through the fiscal year for which the amount
11 is being determined, plus an additional one-tenth of one percent.

12 * * *

13 (f) Annually, ~~the Secretary shall pay to a local adult education and literacy~~
14 ~~provider, as defined in section 942 of this title, that provides an adult education~~
15 ~~and secondary credential program~~ from funds appropriated for this subsection
16 to the Agency in an amount equal to 26 percent of the base education amount
17 for each student who completes the diagnostic portions of the an adult
18 education and secondary credential program, based on an average of the
19 previous two years; ~~40, the Secretary shall pay to a local adult education and~~
20 literacy provider, as defined in section 942 of this title, that provides an adult
21 education and secondary credential program an amount that shall be calculated
22 pursuant to the funding formula contained in the State Board of Education
23 adult education rules. Forty percent of the payment required under this

1 subsection shall be from State funds appropriated from the Education Fund and
2 60 percent of the payment required under this subsection shall be from State
3 funds appropriated from the General Fund.

4 * * *

1 **HOUSE**

2 Sec. E.504.3 ADULT EDUCATION; FUNDING; REPORT

3 (a) On or before December 1, 2025, the Agency of Education, in
4 consultation with local adult education and literacy providers, shall submit a
5 written report to the House Committee on Commerce and Economic
6 Development, the Senate Committee on Economic Development, Housing and
7 General Affairs, and the House and Senate Committees on Education with
8 recommendations to modernize adult education funding to ensure funds are
9 distributed equitably across all regions of the State.

10 (b) For fiscal year 2026, the Agency of Education shall negotiate in good
11 faith to extend the existing contracts with local adult education and literacy
12 providers for a term of one year. The Agency shall endeavor to maintain the
13 terms of the existing contracts to the greatest extent possible.

TECHNICAL LETTER

Sec. F.168 32 V.S.A. § 902 is amended to read:

§ 902. AUTHORIZATION TO BORROW MONEY

* * *

(b) The State Treasurer shall pay the interest on, ~~and~~ principal of ~~and~~ ~~expenses of preparing, issuing, and marketing of such~~ notes as the same fall due without further order or authority from the ~~General Fund or from the Transportation or other applicable funds or from the proceeds of bonds or~~ notes governmental debt service funds established in section 951a of this chapter. The authority hereby granted is in addition to and not in limitation of any other authority. Such notes shall be sold at public or private sale with or without published notice, as the State Treasurer may determine to be in the best interests of the State.

1 **TECHNICAL LETTER**

2 Sec. F.170 32 V.S.A. § 954 is amended to read:

3 § 954. PROCEEDS

4 (a) The proceeds arising from the sale of bonds, inclusive of any premiums,
5 shall be applied to the purposes for which they were authorized, and the
6 purposes ~~shall~~ may be considered to include ~~the expenses of preparing, issuing,~~
7 ~~and marketing the bonds and any notes issued under section 955 of this title,~~
8 ~~and~~ underwriters' fees and amounts for reserves, but no purchasers of the
9 bonds shall be in any way bound to see to the proper application of the
10 proceeds. The State Treasurer shall pay the interest on, principal of,
11 investment return on, and maturity value of the bonds and notes as the same
12 fall due or accrue without further order or authority. The State Treasurer, with
13 the approval of the Governor, may establish sinking funds, reserve funds, or
14 other special funds of the State as the State Treasurer may deem for the best
15 interests of the State. To the extent not otherwise provided, the amount
16 necessary each year to fulfill the maturing principal and interest of, investment
17 return and maturity value of, and sinking fund installments on all the bonds
18 then outstanding shall be included in and made a part of the annual
19 appropriation bill for the expense of State government, and the principal and
20 interest on, investment return and maturity value of, and sinking fund
21 installments on the bonds as may come due before appropriations for their
22 fulfillment have been made shall be fulfilled from the applicable debt service
23 fund.

(b) The State Treasurer is authorized to allocate the estimated cost of bond issuance or issuances, including the costs of preparing, issuing, and marketing such bonds or notes shall be appropriated annually from the funds from which transfers are made to fund debt service costs to the entities to which funds are appropriated by a capital construction act and for which bonding is required as the source of funds. If estimated receipts are insufficient, the State Treasurer shall allocate additional costs to the entities. Any remaining receipts shall not be expended, but carried forward to be available for future capital construction acts. If the source of funds appropriated by a capital construction act is other than by issuance of bonds, the State Treasurer is authorized to allocate the estimated cost of ongoing debt management services to the entities to which those funds are appropriated shall be appropriated annually from the funds from which transfers are made to fund debt service costs.

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