

1 TO THE HONORABLE SENATE:

2 The Committee on Education to which was referred House Bill No. 650
3 entitled “An act relating to educational technology products” respectfully
4 reports that it has considered the same and recommends that the Senate
5 propose to the House that the bill be amended by striking out all after the
6 enacting clause and inserting in lieu thereof the following:

7 Sec. 1. 9 V.S.A. chapter 62 is amended to read:

8 CHAPTER 62. PROTECTION OF PERSONAL INFORMATION

9 * * *

10 Subchapter 3A. Student Privacy

11 * * *

12 § 2443f. ENFORCEMENT

13 (a) A person who violates a provision of this ~~chapter~~ subchapter commits
14 an unfair and deceptive act in commerce in violation of section 2453 of this
15 title.

16 (b) The Attorney General has the same authority to adopt rules to
17 implement the provisions of this subchapter and to conduct civil investigations,
18 enter into assurances of discontinuance, and bring civil actions as provided
19 under chapter 63, subchapter 1 of this title.

1 Subchapter 3B. Educational Technology

2 § 2444a. REGISTRATION; ENFORCEMENT

3 (a) Definitions. As used in this section:

4 (1) “Educational technology product” and “product” mean any software,
5 application, or platform that may collect, process, or transmit student data and
6 that is used for teaching and learning purposes in a school in Vermont.

7 (2) “Filing” means an initial registration, amendment, periodic report, or
8 other filing with the Secretary of State as the Secretary may require.

9 (3) “Provider of an educational technology product” and “provider”
10 mean a person that provides an educational technology product that is in use at
11 a school.

12 (4) “School” means a public school or an independent school approved
13 pursuant to 16 V.S.A. § 166 and includes school districts.

14 (5) “School district” has the same meaning as in 16 V.S.A. § 11(a).

15 (b) Mandatory data reporting. In addition to all other requirements of a
16 person registering with the Secretary of State pursuant to State law, a person
17 doing business in this State as a provider of an educational technology product
18 shall, at the time of a filing, provide the following:

1 (1) the name and primary physical, email, and internet addresses of the
2 person;

3 (2) a link to the most recent version of the privacy policy and terms and
4 conditions of each product in use in any school;

5 (3) the name of each school in which the provider is operating pursuant
6 to a paid contract;

7 (4) the name and a brief description of each product of the provider, also
8 indicating which products are offered at no cost to schools;

9 (5) which products are known by the provider to be in use in any school;
10 and

11 (6) an attestation that each product meets:

12 (A) the standards set forth in subchapter 3A of this chapter (student
13 privacy) and subchapter 6 of this chapter (the Vermont Age-Appropriate
14 Design Code Act); and

15 (B) all relevant federal and State privacy laws, including the federal
16 Children’s Online Privacy Protection Act.

17 (c) Enforcement.

18 (1) A person that violates a provision of this subchapter commits an
19 unfair and deceptive act in commerce in violation of section 2453 of this title.

20 (2) The Attorney General has the same authority to adopt rules to
21 implement the provisions of this subchapter and to conduct civil investigations,

1 enter into assurances of discontinuance, and, subject to subdivision (3) of this
2 subsection, bring civil actions as provided under chapter 63, subchapter 1 of
3 this title.

4 (3)(A) Before initiating a civil action against a person pursuant to
5 subdivision (2) of this subsection (c), the Attorney General shall send written
6 notice to the person that includes as many details as possible about the alleged
7 violation and informs the person that the person has 60 days from receipt of the
8 letter to cure the alleged violation to avoid a civil action.

9 (B) If the person does not cure the alleged violation within 60 days
10 after the notice is received by the person or if there is a disagreement as to
11 whether the alleged violation has been cured, the Attorney General shall have
12 the right to initiate a civil action against the person pursuant to subdivision (2)
13 of this subsection (c).

14 Sec. 2. FIVE-YEAR PROHIBITION ON CHATBOTS IN SCHOOLS

15 (a) Prohibition. Subject to subsection (b) of this section, no school shall
16 allow a student to use a chatbot for teaching and learning purposes until June
17 30, 2031.

18 (b) Exception. A school principal or head of school shall have the sole
19 authority to grant an exception to the prohibition set forth in subsection (a) of
20 this section, provided that the chatbot is strictly used for educational purposes.
21 The principal or head of school shall track any and all exceptions made

1 pursuant to this subsection and provide a list of the exceptions to the Agency
2 of Education upon request. The list shall include the name of the provider of
3 the chatbot along with an explanation of the educational purposes of the
4 chatbot.

5 (c) Definitions. As used in this section:

6 (1) “Chatbot” means any artificial intelligence, algorithmic, or
7 automated system that generates information via text, audio, image, or video in
8 a manner that simulates interpersonal interactions or conversation.

9 (2) “School” means a public school or an independent school approved
10 under 16 V.S.A. § 166.

11 (d) Notice. The Agency of Education shall provide notice of the provisions
12 of this section to all schools and, if necessary, provide support to a school in
13 implementing these provisions on or before August 1, 2026.

14 **Sec. 3. EDUCATIONAL TECHNOLOGY LEGISLATIVE WORKING**
15 **GROUP; DRAFT LEGISLATION**

16 (a) Creation. There is created the Educational Technology Legislative
17 Working Group for the purpose of studying the use of educational technology
18 products in the State and providing a recommendation to the State on how it
19 should certify such products.

20 (b) Membership. The Working Group shall be composed of the following
21 members:

1 (1) three current members of the House of Representatives, not all from
2 the same political party, who shall be appointed by the Speaker of the House;

3 and

4 (2) three current members of the Senate, not all from the same political
5 party, who shall be appointed by the Committee on Committees.

6 (c) Powers and duties. The Working Group, in consultation with the
7 Agency of Education, the Vermont Superintendents Association, and the
8 Vermont Independent Schools Association, shall study and make
9 recommendations regarding the certification process for the use of educational
10 technology products in Vermont schools. The Working Group shall:

11 (1) in consultation with superintendents, create a list of educational
12 technology products in use across schools in the State;

13 (2) interview stakeholders, including teachers and children’s privacy
14 advocates, to determine the benefits and harms of using educational technology
15 products in the classroom;

16 (3) determine what criteria to use when evaluating products for
17 certification;

18 (4) determine which State entities will be charged with the certification
19 process and to what extent; and

20 (5) recommend whether any third-party services should be utilized to
21 assist in certification.

1 (d) Assistance. For purposes of scheduling meetings, preparing
2 recommended legislation, and fiscal analysis, the Working Group shall have
3 the assistance of the Office of Legislative Counsel and the Joint Fiscal Office.

4 (e) Proposed legislation. On or before December 30, 2026, the Working
5 Group shall submit its findings and recommendations in the form of proposed
6 legislation to the House Committees on Commerce and Economic
7 Development and on Education and the Senate Committees on Economic
8 Development, Housing and General Affairs and on Education.

9 (f) Meetings.

10 (1) The Office of Legislative Counsel shall call the first meeting of the
11 Working Group to occur on or before August 15, 2026.

12 (2) The Working Group shall select co-chairs from among its members
13 at the first meeting, one a member of the House and the other a member of the
14 Senate.

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

16 (4) The Working Group shall cease to exist on January 15, 2027.

17 (g) Compensation and reimbursement. For attendance at meetings during
18 adjournment of the General Assembly, a legislative member of the Working
19 Group serving in the member's capacity as a legislator shall be entitled to per
20 diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23

1 for not more than six meetings. These payments shall be made from monies
2 appropriated to the General Assembly.

3 **Sec. 4. EFFECTIVE DATES**

4 This act shall take effect on July 1, 2026, except that, in Sec. 1, 9 V.S.A.
5 § 2444a(c) (enforcement) shall take effect on July 1, 2028.

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9 (Committee vote: _____)

10

11

Senator _____

12

FOR THE COMMITTEE