

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

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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

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       Sec. 2. TWO-YEAR PAUSE ON CHATBOTS IN SCHOOLS

18           (a) Intent. It is the intent of the General Assembly to replicate within the  
19 education context the thoughtful and deliberative approach Vermont  
20 previously took regarding the use of artificial intelligence in State government.  
21 Certain chatbots have caused children to engage in academic dishonesty and to

1 suffer from mental health harms like addiction and suicidal thoughts.

2 Therefore, the General Assembly enacts a two-year pause on the usage of  
3 chatbots, with principals and heads of schools having the authority to exempt  
4 chatbots they deem to be educationally warranted. This pause will provide  
5 schools with the opportunity to research, test, and endorse certain chatbots to  
6 ensure the safety of students.

7 (b) Chatbot usage pause. Subject to subsection (c) of this section, no  
8 school shall allow a student to use a chatbot for teaching and learning purposes  
9 until June 30, 2028.

10 (c) Exceptions.

11 (1) A school principal or head of school shall have the authority to grant  
12 an exception to the usage pause set forth in subsection (b) of this section,  
13 provided that the chatbot is educationally warranted.

14 (2) A school may allow the use of a chatbot for a student if such use is  
15 required as part of the student's individualized education program, or 504 plan,  
16 which shall be documented according to applicable State and federal law;  
17 provided, however, that if such use is required to meet an international  
18 student's special education needs or as part of a disability accommodation, and  
19 the international student does not have an individualized education program or  
20 504 plan, the need for such use shall be documented in a manner the school  
21 deems appropriate.

1        (d) Definitions. As used in this section:

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

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

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

10        Sec. 3. EDUCATIONAL TECHNOLOGY LEGISLATIVE WORKING  
11            GROUP; DRAFT LEGISLATION

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

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

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

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

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

8           (1) create a list of educational technology products in use across schools  
9           in the State;

10           (2) in consultation with the Secretary of State, review all educational  
11           technology product provider registrations pursuant to 9 V.S.A. § 2444a;

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

15           (4) recommend whether students or parents of students should have the  
16           right to opt out of using educational technology products as part of their  
17           education; and

18           (5) as it pertains to the certification of educational technology products  
19           for use in schools in the State:

20           (A) determine what criteria to use when evaluating educational  
21           technology products for certification;

1           (B) determine which State entities will be charged with the  
2           certification process and to what extent; and

3           (C) recommend whether any third-party services should be utilized to  
4           assist in certification.

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

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

13           (f) Meetings.

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

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

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

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

