

1 H.718

2 An act relating to building energy efficiency

3 It is hereby enacted by the General Assembly of the State of Vermont:

4 * * * Findings * * *

5 Sec. 1. FINDINGS

6 The General Assembly finds that:

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

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

19 (3) Vermont has not adopted a residential building construction code
20 applicable to one- and two-unit dwellings, which means that for these
21 buildings there is no administrative infrastructure or enforcement mechanism

1 for implementing energy codes consistently and effectively. Lack of a
2 residential building code also means Vermont lacks a standard-of-care
3 reference for the public, builders, designers, insurance companies, or the
4 courts, and such lack also may limit the State's ability to access certain federal
5 funding.

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

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

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

17 (7) While the RBESs do apply to single-family residences, the
18 Department of Public Service has advised the General Assembly that enabling
19 legislation does not provide clear authority for municipalities to administer and
20 enforce the RBES at the local level. Some municipalities do wish to have that
21 authority.

1 * * * Residential Building Code * * *

2 Sec. 2. ADOPTION OF RESIDENTIAL BUILDING CODE

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

9 * * * Task Force * * *

10 Sec. 3. RESIDENTIAL CONTRACTOR REGISTRY TASK FORCE;
11 REPORTS

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

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

18 (1) one member appointed by the Secretary of State;

19 (2) one member appointed by the Commissioner of Public Safety;

20 (3) one member appointed by the Vermont Builders and Remodelers
21 Association;

1 (4) one member appointed by the American Institute of Architects

2 Vermont;

3 (5) one member appointed by the Secretary of Education;

4 (6) one member appointed by the Chancellor of the Vermont State

5 Colleges System;

6 (7) one member from the Office of Economic Opportunity's

7 Weatherization Assistance Program;

8 (8) one member from the Vermont League of Cities and Towns;

9 (9) one member appointed by Efficiency Vermont;

10 (10) one member appointed by the Commissioner of Public Service;

11 (11) one member from the Vermont Attorney General's office;

12 (12) one member from Associated Builders and Contractors of New

13 Hampshire and Vermont;

14 (13) one member from Associated General Contractors of Vermont;

15 (14) one residential contractor not affiliated with Associated Builders

16 and Contractors of New Hampshire and Vermont or Associated General

17 Contractors of Vermont, appointed by the Governor; and

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

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

20 (1) address shortcomings in the existing residential contractor registry,

21 including:

1 (A) improving public-facing web presence;

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

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

5 (D) clarifying the relationship between business-based registrations
6 and individual-based certifications;

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

10 (A) construction site supervisor;

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

12 (C) high-performance building;

13 (3) assess how to improve the energy education modules required under
14 3 V.S.A. § 138 and whether they should be administered by the Department of
15 Public Service;

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

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

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

3 (d) Assistance.

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

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

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

15 (f) Meetings.

16 (1) The member appointed by the Secretary of State shall call the first
17 meeting of the Task Force to occur on or before August 1, 2026, and the Task
18 Force shall then meet at least monthly through July 2027 and then thereafter at
19 least every other month.

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

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

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

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

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

1 ~~module shall include education on any State or utility incentives relevant to the~~
2 ~~profession.~~

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

5 ~~(B) The education module for authorization 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 ~~(2) 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. [Repealed.]~~

12 * * *

13 * * * Electricians * * *

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

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

16 * * *

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

20 (1) The education module shall be not more than two hours and shall be
21 required as a condition of initial licensure and license renewal. The module

1 shall explain how the work of the profession or trade intersects with the energy
2 codes and affects the energy, air flow, and moisture management dynamics of
3 the building as an integrated system and include education on any State or
4 utility incentives relevant to the profession.

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

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

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

17 * * *

18 * * * Plumbers * * *

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

20 § 2193. APPLICATIONS; EXAMINATIONS, EDUCATION, AND

21 FEES

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(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.~~

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

(2) The Commissioner shall consider any recommendations on these education modules provided by relevant stakeholders and approve education modules in consultation with the Agency of Natural Resources and the

1 Department of Public Service. Beginning January 1, 2028, and every 3 years
2 thereafter, the Commissioner shall review these education modules, consider
3 recommendations by relevant stakeholders, and update the modules as
4 necessary.

5 Sec. 9. ENERGY PROFESSIONALS REGULATION REPORT

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

13 * * * Energy Code Enforcement * * *

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

15 § 51. RESIDENTIAL BUILDING ENERGY STANDARDS; STRETCH

16 CODE

17 * * *

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

1 (i) Transitional safe harbor compliance.

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

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

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

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

16 § 3101. BYLAWS AND ORDINANCES; PENALTIES

17 (a) The mayor and board of aldermen of a city, the selectboard of a town,
18 or the trustees of an incorporated village, may, in accordance with this chapter,
19 establish codes and regulations for the construction, maintenance, repair, and
20 alteration of buildings and other structures within the municipality. Such
21 codes and regulations may include provisions relating to building materials,

1 structural design, passageways, stairways and exits, heating systems, fire
2 protection procedures, and such other matters as may be reasonably necessary
3 for the health, safety, and welfare of the public, but excluding electrical
4 installations subject to regulation under 26 V.S.A. chapter 15. The adopted
5 codes and regulations may incorporate by reference the Residential Building
6 Energy Standards and the Commercial Building Energy Standards established
7 pursuant to 30 V.S.A. chapter 2.

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

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

15 * * *

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

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* * * Appropriations * * *

Sec. 13. CONTINGENCY OF FUNDING

The duty to implement the Residential Contractor Registry Task Force described in Sec. 3 of this act is contingent upon an appropriation of funds in fiscal year 2027 from the General Fund to the Office of Professional Regulation for that purpose.

* * * Effective Date * * *

Sec. 14. EFFECTIVE DATE

This act shall take effect on July 1, 2026.