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Table of Contents

Biennial Session

	Page
Journal of the Senate (volume 1).....	1
Journal of the Senate (volume 2).....	901
Journal of the Joint Assemblies (volume 2).....	1437
Appendix A – List of Senators, Officers and Staff of the Senate, and Committees of of the Senate (volume 2).....	1475
Appendix B – Table of Bills (volume 2).....	1484
General Index (volume 2).....	1543

Special Session

	Page
Special Session (volume 2).....	1
Special Session Appendix B – Table of Bills (volume 2).....	16
Special Session General Index (volume 2).....	19

WEDNESDAY, MAY 12, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Referred to Committee on Appropriations**H. 106.**

House bill of the following title, appearing on the Calendar for notice and carrying an appropriation or requiring the expenditure of funds, under the rule was referred to the Committee on Appropriations:

An act relating to equitable access to a high-quality education through community schools.

House Proposal of Amendment Concurred In**S. 16.**

House proposal of amendment to Senate bill entitled:

An act relating to the creation of the Task Force on School Exclusionary Discipline Reform.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Nationally, millions of students are removed from the classroom each year for disciplinary reasons.

(2) U.S. Department of Education data reveals that in the 2013–2014 school year, of the 50 million students nationally enrolled in schools:

(A) 2.7 million received in-school suspensions;

(B) 1.6 million received one out-of-school suspension;

(C) 1.1 million received more than one out-of-school suspension; and

(D) 111,215 were expelled.

(3) Exclusionary discipline is used mostly in middle and high schools, and mostly for minor misconduct, according to the Council on State

Governments' Justice Center.

(4) Students who are suspended are at significantly higher risk of academic failure, of dropping out of school, and of entering the juvenile justice system according to the Council on State Governments' Justice Center.

(5) Nationally, students of certain racial and ethnic groups and students with disabilities are disciplined at higher rates than their peers, beginning in preschool, as evidenced by 2013–2014 data from the U.S. Department of Education's Office for Civil Rights.

(A) Black students, representing approximately 15 percent of the U.S. student population, are suspended and expelled at a rate two times greater than White students, representing approximately 50 percent of the U.S. student population.

(B) Students with disabilities who have individualized education plans (IEPs) are more likely to be suspended than students without disabilities.

(6) According to the 2016 study "Educational Exclusion" published by the Gay, Lesbian, and Straight Education Network, which is a national education organization focused on ensuring safe and affirming schools for all students, students who are lesbian, gay, bisexual, transgender, or queer face disproportionately high rates of school discipline, including detention, suspension, and expulsion from school.

(7)(A) According to the Agency of Education's Report on Exclusionary Discipline Response, January 2017, for the 2015–2016 school year, 3,616 Vermont public school students were excluded, representing 4.7 percent of total enrollment.

(B) The Agency of Education found that students who are non-Caucasian, participate in the free and reduced lunch program, have Section 504 or IEP plans, male, or are English Learners are over-represented in terms of the number who experience exclusion and the number of incidents resulting in exclusion.

(C) Use of school discipline strategies, such as exclusionary discipline, restraint, seclusion, referral to law enforcement, and school-related arrest, varies widely throughout the State.

(8) The Agency of Education publishes data on school discipline in Vermont annually, however:

(A) some data can be challenging to find or understand;

(B) consistent with federal student privacy laws and regulations, certain data may not be publicly reportable due to Vermont's extremely small

size conditions, such as data with very few reported cases, data on specific incidents or actions, and data disaggregated by student demographics or grade level characteristics;

(C) even when available and reportable, care must be taken when using data to inform practice in order to ensure they are applied in a coherent and methodologically defensible manner; and

(D) while the Agency of Education and Vermont supervisory unions are currently working to improve data collection, stewardship, reporting processes, and infrastructure, this work is in the context of enhancing data quality, data literacy, and the technical infrastructure to support these enhancements.

(9) More data on school discipline practices in Vermont is necessary to understand what strategies are effective and to encourage the adoption of these strategies at the local level.

Sec. 2. TASK FORCE ON EQUITABLE AND INCLUSIVE SCHOOL ENVIRONMENTS; REPORT

(a) Creation. There is created the Task Force on Equitable and Inclusive School Environments. The Task Force shall make recommendations to end suspensions and expulsions for all but the most serious student behaviors and compile data regarding school discipline in Vermont public and approved independent schools in order to inform strategic planning, guide statewide and local decision making and resource allocation, and measure the effectiveness of statewide and local policies and practices.

(b) Membership.

(1) The Task Force shall be composed of the following 16 members:

(A) the Secretary of Education or designee;

(B) the Commissioner of Mental Health or designee;

(C) the Executive Director of the Vermont School Boards Association or designee;

(D) the Executive Director of the Vermont Council of Special Education Administrators or designee;

(E) the Executive Director of the Vermont Principals' Association or designee;

(F) the Executive Director of the Vermont-National Education Association or designee;

(G) the Executive Director of the Vermont Superintendents Association;

(H) one member, appointed by the Legal Aid Disability Law Project;

(I) one member, appointed by the Vermont Family Network;

(J) one member, appointed by the Building Effective Strategies for Teaching Students Project at the University of Vermont;

(K) one member, appointed by the Vermont Restorative Collaborative;

(L) one teacher, appointed by the Vermont-National Education Association;

(M) one member of a therapeutic school, appointed by the Vermont Independent Schools Association;

(N) one school counselor, appointed by the Vermont School Counselor Association; and

(O) two high school students, appointed by the Vermont Principals' Association in consultation with UP for Learning.

(2) The appointing authorities shall seek racial diversity in membership in making appointments to the Task Force.

(c) Powers and duties.

(1) The Task Force shall make recommendations to end suspensions and expulsions for all but the most serious student behaviors and, taking into account the Vermont Youth Risk Behavior Survey issued by the Department of Health and relevant data reported by the Agency of Education, shall perform the following tasks:

(A) review current behavioral supports and in-school services and availability of these services in various supervisory unions, approved independent schools, and regions of the State that are available to support students who would otherwise face exclusionary discipline;

(B) recommend additional or more uniform in-school services that should be available to:

(i) students who are under eight years of age where expulsion is not permitted under 16 V.S.A. § 1162 as amended by this act; and

(ii) other students who would otherwise face exclusionary discipline;

(C) define the most serious behaviors that, after considering all other alternatives and supports, should remain eligible for suspension or expulsion;

(D) review school professional development programs and make recommendations on how educator practices, such as positive behavioral interventions and support, trauma informed practices, and restorative practices, and related training for these practices can increase educators' awareness of students' needs in a manner to reduce behaviors that lead to possible out-of-school disciplinary measures;

(E) identify best practice procedures for students facing in-school or exclusionary discipline that:

(i) minimize law enforcement contacts;

(ii) are trauma-responsive; and

(iii) maximize relational and restorative actions that support the social, emotional, and mental health needs of these students;

(F) subject to federal and State privacy laws, review, on a school-district and approved independent schools basis, the readily available data and the data collection processes regarding suspensions and expulsions and review additional data necessary to inform the work of the Task Force, including:

(i) the total number of instances of expulsions and suspensions in each grade operated by the district or approved independent school;

(ii) the total number of students in each grade operated by the district or approved independent school who were expelled or suspended and the number of instances of expulsion or suspension, or both, for each student;

(iii) the duration of each instance of expulsion and suspension;

(iv) the infraction for which each expulsion and suspension was imposed;

(v) each instance of referral to local law enforcement authorities, the juvenile justice system, community justice center, State's Attorneys Offices, Department for Children and Families, or other juvenile justice-related authority;

(vi) each instance in which a civil, criminal, or juvenile citation was the consequence for a school-related infraction; and

(vii) each instance in which an excluded student received reeducational services, as well as the duration of reeducational services per day, per week, and per month;

(G) recommend how to ensure that school staff who collect, process, or communicate data understand the importance of data quality, the context of their role, and the rules that govern data collection, processing, communication, and public disclosure; and

(H) review how other states address exclusionary discipline.

(2) All data specified in subdivision (1)(F) of this subsection shall be in disaggregated format by, at a minimum, the following subgroups and categories to the extent permitted by federal and State privacy laws and to the extent information is available:

(A) White;

(B) Black;

(C) Hispanic;

(D) American Indian/Alaskan Native;

(E) Asian, Pacific Islander/Hawaiian Native;

(F) low-income/free or reduced lunch;

(G) Limited English Proficient or English Language Learner;

(H) migrant status;

(I) students receiving special education services;

(J) students on educational plans under Section 504 of the Rehabilitation Act of 1973;

(K) gender;

(L) sexual orientation;

(M) foster care status;

(N) homeless status; and

(O) grade level.

(3) All data specified in subdivision (1)(F) of this subsection shall be cross-tabulated by, at a minimum, the following subgroups and categories to the extent permitted by federal and State privacy laws and to the extent information is available:

(A) school;

(B) school district;

(C) race;

(D) low-income/free or reduced lunch;

-
- (E) Limited English Proficient or English Language Learner;
 - (F) migrant status;
 - (G) students receiving special education services;
 - (H) students on educational plans under Section 504 of the Rehabilitation Act of 1973;
 - (I) gender;
 - (J) sexual orientation;
 - (K) foster care status;
 - (L) homeless status;
 - (M) grade level;
 - (N) behavior infraction code;
 - (O) intervention applied, including restraint and seclusion; and
 - (P) educational services provided.

(d) Report. On or before January 15, 2022, the Task Force shall submit an initial written report, and on or before March 15, 2022, the Task Force shall submit a final written report, to the House and Senate Committees on Education with its findings, addressing each of its duties under subsection (c) of this section, and any recommendations for legislative action. The Agency of Education shall share the report and any related insights and best practices with Vermont educators, school administrators, policymakers, agencies, and education and advocacy organizations, and shall post the report on its website.

(e) Meetings.

(1) The Secretary of Education shall call the first meeting of the Task Force to occur on or before August 1, 2021.

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

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

(4) The Task Force shall meet not more than six times.

(5) The Task Force shall cease to exist on April 15, 2022.

(f) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

(g) Compensation and reimbursement. Members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses as permitted

under 32 V.S.A. § 1010 for not more than six meetings of the Task Force.

Sec. 3. APPROPRIATION

The sum of \$6,750.00 is appropriated from the General Fund in fiscal year 2022 to the Agency of Education for per diem and reimbursement of expenses for members of the Task Force on Equitable and Inclusive School Environments created under Sec. 2 of this act and for expenses incurred by the Task Force in carrying out its duties.

Sec. 4. DATA COLLECTION; TRAINING; SECRETARY OF EDUCATION

(a) On or before the first meeting of the Task Force on Equitable and Inclusive School Environments established in Sec. 2 of this act, the Secretary of Education shall collect and distribute to the members of the Task Force all readily available data on suspensions and expulsions from each Vermont public school and approved independent school in academic years 2013–2014 through 2018–2019, including the data specified in subdivision (e)(1)(F) of Sec. 2.

(b) At the first meeting of the Task Force, the Secretary of Education or designee shall provide an overview and training to the Task Force on how to navigate the Agency website and the readily available data collections that provide data on out-of-school suspensions and expulsions from each Vermont public school.

Sec. 5. OUTCOME ANALYSIS

On or before January 15 of each year from 2025 to 2030, the Secretary of Education shall submit a written report to the House and Senate Committees on Education on suspensions and expulsions from each Vermont public school and approved independent school in the prior school year, including the data specified in subdivision (c)(1)(F) of Sec. 2.

Sec. 6. 16 V.S.A. § 1162 is amended to read:

§ 1162. SUSPENSION OR EXPULSION OF STUDENTS

* * *

(d) Notwithstanding anything to the contrary in this chapter, a student enrolled in a public school who is under eight years of age shall not be suspended or expelled from the school; provided, however, that the school may suspend or expel the student if the student poses an imminent threat of harm or danger to others in the school.

Sec. 7. REFERRALS OF TRUANCY TO THE STATE'S ATTORNEYS

(a) On or before September 1, 2021, each school district shall report to the Agency of Education the number of cases referred by the district or its staff to a State's Attorney for truancy under 16 V.S.A. § 1127 or 33 V.S.A. § 5309, what mitigation techniques were used by the district to engage with families prior to each referral, and the result of each referral.

(b) On or before December 15, 2021, the Agency of Education shall collate the reports from school districts and report the results to the General Assembly.

Sec. 8. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of this bill be amended to read: "An act relating to the Task Force on Equitable and Inclusive School Environments"

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

House Proposals of Amendment Concurred In**S. 124.**

House proposals of amendment to Senate bill entitled:

An act relating to miscellaneous utility subjects.

Were taken up.

The House proposes to the Senate to amend the bill as follows:

First: In Sec. 5, 30 V.S.A. § 218, in subsection (e), by striking out " , and the Commission shall only set or change the eligibility level for any program created pursuant to this section after investigation, evidence, and hearing from the distribution utility sponsor of the program and other interested stakeholders." and inserting in lieu thereof " ."

Second: By striking out Sec. 9, effective date, in its entirety and inserting in lieu thereof a new Sec. 9 to read as follows:

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 5 (30 V.S.A. § 218) shall take effect upon passage, except for an existing program under 30 V.S.A. § 218(e), for which it shall take effect upon a Commission decision following an investigation regarding tariff changes for the distribution utility sponsor of the program.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment?, was decided in the affirmative.

Proposal of Amendment; Consideration Postponed

H. 360.

House bill entitled:

An act relating to accelerated community broadband deployment.

Was taken up.

Thereupon, pending third reading of the bill, Senators White, Clarkson, Collamore, Pollina and Ram moved to amend the Senate proposal of amendment in Sec. 11, 30 V.S.A. § 3084, by striking out the second sentence in its entirety.

Thereupon, pending the question, Shall the bill be amended as recommended by Senators White, Clarkson, Collamore, Pollina and Ram?, on motion of Senator Cummings consideration of the bill was postponed until later in the day.

Bill Passed in Concurrence with Proposal of Amendment

H. 435.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to miscellaneous Department of Corrections-related amendments.

Third Readings Ordered

H. 140.

Senator Collamore, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to approval of amendments to the charter of the Town of Williston.

Reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

H. 445.

Senator Collamore, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to approval of an amendment to the charter of the Town of Underhill.

Reported that the bill ought to pass in concurrence.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 225.

Senator Sears, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to possession of a therapeutic dosage of buprenorphine.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. INTENT

It is the intent of the General Assembly to remove criminal penalties for possession of 224 milligrams or less of buprenorphine. Persons under 21 years of age in possession of 224 milligrams or less of buprenorphine would be referred to the Court Diversion Program for the purpose of enrollment in the Youth Substance Awareness Safety Program. Persons under 16 years of age in possession of 224 milligrams or less of buprenorphine would be subject to delinquency proceedings in the Family Division of the Superior Court. Knowing and unlawful possession of more than 224 milligrams of buprenorphine would continue to be criminal and penalized in the same manner as other narcotics pursuant to 18 V.S.A. § 4234.

Sec. 2. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

(1)(A) A Except as provided by subdivision (B) of this subdivision (1), a person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, shall be imprisoned not more than one year or fined not more than \$2,000.00, or both.

(B) A person knowingly and unlawfully possessing 224 milligrams or less of buprenorphine shall not be punished in accordance with subdivision (A) of this subdivision (1).

* * *

(c) Possession of buprenorphine by a person under 21 years of age.

(1) Except as provided in subdivision (2) of this subsection, a person under 21 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a civil violation and shall be subject to the provisions of section 4230b of this title.

(2) A person under 16 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a delinquent act and shall be subject to the provisions of section 4230j of this title.

Sec. 3. 18 V.S.A. § 4234 is amended to read:

§ 4234. DEPRESSANT, STIMULANT, AND NARCOTIC DRUGS

(a) Possession.

~~(1)(A) Except as provided by subdivision (B) of this subdivision (1), a~~ A person knowingly and unlawfully possessing a depressant, stimulant, or narcotic drug, other than heroin or cocaine, shall be imprisoned not more than one year or fined not more than \$2,000.00, or both.

~~(B) A person knowingly and unlawfully possessing 224 milligrams or less of buprenorphine shall not be punished in accordance with subdivision (A) of this subdivision (1).~~

* * *

~~(c) Possession of buprenorphine by a person under 21 years of age.~~

~~(1) Except as provided in subdivision (2) of this subsection, a person under 21 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a civil violation and shall be subject to the provisions of section 4230b of this title.~~

~~(2) A person under 16 years of age who knowingly and unlawfully possesses 224 milligrams or less of buprenorphine commits a delinquent act and shall be subject to the provisions of section 4230j of this title.~~

Sec. 4. EFFECTIVE DATES

(a) This section and Secs. 1 (intent) and 2 (buprenorphine exemption) shall take effect on passage.

(b) Sec. 3 (repeal of buprenorphine exemption) shall take effect July 1, 2023.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 313.

Senator Clarkson, for the Committee on Economic Development, Housing and General Affairs, to which was referred House bill entitled:

An act relating to miscellaneous amendments to alcoholic beverage laws.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 7 V.S.A. § 204 is amended to read:

§ 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND PERMITS; DISPOSITION OF FEES

(a) The following fees shall be paid when applying for a new license or permit or to renew a license or permit:

* * *

(6) For a third-class license, \$1,095.00 for an annual license and \$550.00 for a six-month license. For a stand-alone third-class license, the issuing municipality may assess an additional \$50.00 local processing fee.

* * *

(24) For a third-class license granted to the holder of a manufacturer's or rectifier's license, \$230.00.

(b) Except for fees collected for first-, second-, and third-class licenses, the fees collected pursuant to subsection (a) of this section shall be deposited in the Liquor Control Enterprise Fund. The other fees shall be distributed as follows:

(1) Third-class license fees: 55 percent shall go to the Liquor Control Enterprise Fund, and 45 percent shall go to the General Fund and shall fund alcohol abuse prevention and treatment programs. The local processing fee for stand-alone third-class licenses shall be retained by the issuing municipality.

* * *

Sec. 2. 7 V.S.A. § 230 is added to read:

§ 230. SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES CONSUMPTION

(a) The Board of Liquor and Lottery and the local control commissioners may authorize:

(1) First- and third-class licensees to sell malt beverages, vinous beverages, and spirits-based prepared drinks for off-premises consumption. All sales of alcoholic beverages for off-premises consumption must be accompanied by a food order.

(2) Second-class licensees to provide curbside pickup of unopened containers of the alcoholic beverages that the licensee is permitted to sell from the licensed premises pursuant to section 222 of this subchapter.

(3) Fourth-class licensees to provide curbside pickup of unopened containers of the alcoholic beverages that the licensee is permitted to sell from the licensed location pursuant to section 224 of this subchapter.

(b) For any alcoholic beverage sold pursuant to subdivision (a)(1) of this section, the first- or third-class licensee shall provide the alcoholic beverage in a container:

(1) with a securely affixed tamper-evident seal; and

(2) bearing a label that:

(A) states that the beverage contains alcohol; and

(B) lists the ingredients and serving size.

(c) A licensee may sell alcoholic beverages pursuant to this section between 10:00 a.m. and 11:00 p.m.

(d) The Board of Liquor and Lottery may adopt rules and forms necessary to implement this section.

Sec. 3. 7 V.S.A. § 253 is amended to read:

§ 253. FESTIVAL PERMITS

* * *

(b)(1) A festival required to be permitted under this section is any event that is open to the public for which the primary purpose is to serve one or more of the following: malt beverages, vinous beverages, fortified wines, or spirits.

(c) A festival permit holder is permitted to conduct an event that is open to the public at which one or more of the following are served: malt beverages,

vinous beverages, fortified wines, or spirits.

(d) The permit holder shall ensure the following:

(1) Attendees at the festival shall be required to pay an entry fee of not less than \$5.00.

(2)(A) Malt beverages for sampling shall be offered in glasses that contain not more than 12 ounces with not more than 60 ounces served to any patron at one event.

(B) Vinous beverages for sampling shall be offered in glasses that contain not more than five ounces with not more than 25 ounces served to any patron at one event.

(C) Fortified wines for sampling shall be offered in glasses that contain not more than three ounces with not more than 15 ounces served to any patron at one event.

(D) Spirits for sampling shall be offered in glasses that contain not more than one ounce with not more than five ounces served to any patron at one event.

(E) Patrons attending a festival where combinations of malt, vinous, fortified wines, or spirits are mutually sampled shall not be served more than a combined total of six U.S. standard drinks containing 3.6 fluid ounces or 84 grams of pure ethyl alcohol.

(3) The event shall be conducted in compliance with all the requirements of this title.

(e)(1) A festival permit holder may purchase invoiced volumes of malt or vinous beverages directly from a manufacturer or packager licensed in Vermont, or a manufacturer or packager that holds a federal Basic Permit or Brewers Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

(2) The invoiced volumes of malt or vinous beverages may be transported to the site and sold by the glass to the public by the permit holder or its employees and volunteers only during the event.

(e)(f) A festival permit holder shall be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of the alcoholic beverages and shall pay the tax on the malt or vinous beverages pursuant to section 421 of this title.

(d)(g) A person shall be granted ~~no~~ not more than four festival permits per year, and each permit shall be valid for ~~no~~ not more than four consecutive days.

Sec. 4. 7 V.S.A. § 256 is amended to read:

§ 256. PROMOTIONAL TASTINGS FOR LICENSEES

(a)(1) At the request of a first- or second-class licensee, a holder of a manufacturer's, rectifier's, or wholesale dealer's license may distribute without charge to the first- or second-class licensee's management and staff, provided they are of legal age ~~and are off duty for the rest of the day~~, two ounces per person of vinous or malt beverages for the purpose of promoting the beverage.

(2) At the request of a holder of a third-class license, a manufacturer or rectifier of spirits or fortified wines may distribute without charge to the third-class licensee's management and staff, provided they are of legal age ~~and are off duty for the rest of the day~~, one-quarter ounce of each beverage and ~~no~~ not more than a total of one ounce to each individual for the purpose of promoting the beverage.

(3) No permit is required for a tasting pursuant to this subsection, ~~but written notice of the event shall be provided to the Division of Liquor Control at least two days prior to the date of the tasting.~~

* * *

Sec. 5. FEE REDUCTION FOR RENEWAL OF FIRST- AND THIRD-CLASS LICENSES BY CLUBS; TEMPORARY PROVISION

Notwithstanding 7 V.S.A. § 204(a)(4) and (6), in the year 2021, the first- and third-class license renewal fees shall be waived for any club as defined in 7 V.S.A. § 2.

Sec. 6. REPORTS; SPORTS BETTING STUDY; IMPACTS OF SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES CONSUMPTION

(a) On or before October 15, 2021, the Office of Legislative Counsel and the Joint Fiscal Office shall submit a written report to the House Committee on General, Housing, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs concerning the current state of the regulated sports betting market in the United States. In particular, the report shall examine and analyze:

(1) the sports betting laws in each state that has an active or proposed sports betting market;

(2) studies carried out by other states concerning the legalization, taxation, and regulation of sports betting;

(3) the models for regulation of sports betting that are currently operating in other states, including a summary of the tax or revenue sharing structures used in each state;

(4) for each state with an active sports betting market, the state revenue resulting from sports betting; and

(5) any reports or information concerning impacts on problem gaming in the states with regulated sports betting markets.

(b) In the preparation of the report, the Office of Legislative Counsel and the Joint Fiscal Office shall solicit input from the Department of Liquor and Lottery, the Department of Taxes, the Office of the Attorney General, and other stakeholders.

(c) On or before January 15, 2023, the Department of Liquor and Lottery shall submit a report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General, Housing, and Military Affairs concerning the sale of alcoholic beverages for delivery and curbside pickup by first-, second-, third-, and fourth-class licensees. The report shall include an analysis of:

(1) the economic impact on the licensees that were approved to sell alcoholic beverages pursuant to 7 V.S.A. § 230; and

(2) the impact on public safety and compliance with the State's alcoholic beverage laws.

(d) The Department shall collect data from licensees that is sufficient to demonstrate the economic impact of the authority granted to the licensees pursuant to 7 V.S.A. § 230.

Sec. 7. REPEAL

7 V.S.A. § 230 is repealed on July 1, 2023.

Sec. 8. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that this section and Sec. 5 (fee reduction for first- and third-class licenses) shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Sirotkin, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Economic Development, Housing and General Affairs.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

**Proposal of Amendment; Third Reading Ordered; Rules Suspended;
Joint Resolution Adopted in Concurrence with Proposal of Amendment;
Joint Resolution Messaged**

J.R.H. 2.

Senator Collamore, for the Committee on Government Operations, to which was referred joint House resolution entitled:

Joint resolution sincerely apologizing and expressing sorrow and regret to all individual Vermonters and their families and descendants who were harmed as a result of State-sanctioned eugenics policies and practices.

Reported recommending that the Senate propose to the House to amend the joint resolution as follows:

By striking out all the Whereas and Resolved clauses and inserting in lieu thereof the following:

Whereas, starting in the early 1900s, laws and associated policies were adopted to promote the eugenics movement, and the title of the book *Breeding Better Vermonters* by Nancy L. Gallagher accurately describes the movement's purported intent, and

Whereas, this movement targeted for elimination those it deemed currently or potentially delinquent, defective, and dependent persons through sterilizations, primarily of women, to prevent individuals from having children, and

Whereas, in 1912, the Vermont General Assembly passed S.79, "An act to authorize and provide for the sterilization of imbeciles, feeble-minded, and insane persons, rapists, confirmed criminals and other defectives," however, Governor Allen M. Fletcher vetoed the bill, citing constitutional concerns that Attorney General Rufus E. Brown had raised, and

Whereas, nevertheless, State agencies and institutions adopted policies and procedures to carry out the intent of the vetoed legislation and the beliefs of the eugenics movement, and

Whereas, in 1925, University of Vermont zoology professor Henry F. Perkins, who established the Eugenics Survey of Vermont and served as President of the American Eugenics Society, collaborated with leaders of Vermont State government to collect evidence of Vermonters' alleged delinquency, dependency, and deficiency, and

Whereas, these State-sanctioned policies targeted the poor and persons with mental and physical disabilities, and

Whereas, these same policies also targeted individuals, families, and communities whose heritage was documented as French Canadian, French-Indian, or of other mixed ethnic or racial composition and persons whose extended families' successor generations now identify as Abenaki or as members of other indigenous bands or tribes, and

Whereas, in 1927, S.59, "An act relating to Voluntary Eugenical Sterilization" passed the Senate but was defeated in the House, and

Whereas, the General Assembly adopted 1931 Acts and Resolves No. 174 (Act 174), "An Act for Human Betterment by Voluntary Sterilization," for the purpose of eliminating from the future Vermont genetic pool persons deemed mentally unfit to procreate, and

Whereas, this State-sanctioned eugenics policy was not an isolated example of oppression but reflected the historic marginalization, discriminatory treatment, and displacement of these targeted groups in Vermont, and

Whereas, eugenics advocates promoted sterilization for the protection of Vermont's "old stock" and to preserve the physical and social environment of Vermont for their children, and

Whereas, the Eugenics Survey received assistance from State and municipal officials, individuals, and private organizations, and the resulting sterilization, institutionalization, and separation policies intruded on the lives of its victims and had devastating and irreversible impacts that still persist in the lives of the targeted groups and especially the descendants of those who were directly impacted, and

Whereas, in conducting the Eugenics Survey, the surveyors were granted access to case files from State agencies and institutions, and the files were made available to persons of authority, including police departments, social workers, educators, and town officials, and

Whereas, as a result of the opening of these files, children and adults were removed from families, individuals were institutionalized or incarcerated, family connections were severed, and the sense of kinship, continuity and community was lost, and

Whereas, the legacy of the eugenics movement continues to influence some of Vermont's current policies and legislation, now therefore be it

Resolved by the Senate and House of Representatives:

That the General Assembly sincerely apologizes and expresses sorrow and regret to all individual Vermonters and their families and descendants who were harmed as a result of State-sanctioned eugenics policies and practices, and be it further

Resolved: That the General Assembly continues to work to eradicate the lasting legacy of its prior actions by listening to and working with the affected individuals and communities, and be it further

Resolved: That the General Assembly recognizes that further legislative action should be taken to address the continuing impact of State-sanctioned eugenics policies and related practices of disenfranchisement, ethnocide, and genocide.

And that the joint resolution ought to be adopted in concurrence with such proposal of amendment.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the joint resolution was ordered on a roll call, Yeas 29, Nays 0.

Senator Collamore having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram, Sears, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Terenzini.

Thereupon, on motion of Senator Balint, the rules were suspended and the joint resolution was placed on all remaining stages of its adoption in concurrence with proposal of amendment.

Thereupon, the joint resolution was read the third time and adopted in concurrence with proposal of amendment.

Thereupon, on motion of Senator Collamore, the rules were suspended, and the joint resolution was ordered messaged to the House forthwith.

Recess

On motion of Senator Balint the Senate recessed until 11:45 A.M.

Called to Order

The Senate was called to order by the President.

Consideration Resumed; Bill Passed in Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged**H. 360.**

Consideration was resumed on House bill entitled:

An act relating to accelerated community broadband deployment.

Thereupon, the pending question, Shall the Senate proposal of amendment be amended as recommended by Senators White, Clarkson, Collamore, Pollina and Ram?, was decided in the affirmative.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Message from the House No. 68

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House bill entitled:

H. 433. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Lanpher of Vergennes
Rep. Shaw of Pittsford
Rep. Corcoran of Bennington

Message from the House No. 69

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to the following House bill:

H. 438. An act relating to capital construction and State bonding.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Message from the House No. 70

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 28. Joint resolution relating to weekend adjournment.

And has adopted the same in concurrence.

The House has considered Senate proposals of amendment to the following House bills:

H. 177. An act relating to approval of an amendment to the charter of the City of Montpelier.

H. 428. An act relating to hate-motivated crimes and misconduct.

H. 430. An act relating to eligibility for Dr. Dynasaur-like coverage for all income-eligible children and pregnant individuals regardless of immigration status.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House bill:

H. 171. An act relating to the governance and financing of Vermont's child care system.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill entitled:

H. 449. An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

The Speaker appointed as members of such Committee on the part of the House:

Rep. Copeland Hanzas of Bradford
Rep. Gannon of Wilmington
Rep. LaClair of Barre Town

Adjournment

On motion of Senator Balint, the Senate adjourned until ten o'clock in the morning.

THURSDAY, MAY 13, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the twelfth day of May, 2021 he approved and signed bills originating in the Senate of the following titles:

S. 39. An act relating to the Judicial Branch fee report and electronic filing fees.

S. 45. An act relating to earned discharge from probation.

S. 88. An act relating to insurance, banking, and securities.

S. 99. An act relating to repealing the statute of limitations for civil actions based on childhood physical abuse.

Bill Referred to Committee on Appropriations**H. 431.**

House bill of the following title, appearing on the Calendar for notice, and carrying an appropriation or requiring the expenditure of funds, under the rule, was referred to the Committee on Appropriations:

An act relating to miscellaneous energy subjects.

Bills Passed In Concurrence

House bills of the following titles were severally read the third time and passed:

H. 140. An act relating to approval of amendments to the charter of the Town of Williston.

H. 445. An act relating to approval of an amendment to the charter of the Town of Underhill.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 225. An act relating to possession of a therapeutic dosage of buprenorphine.

H. 313. An act relating to miscellaneous amendments to alcoholic beverage laws.

Proposal of Amendment; Third Reading Ordered**H. 183.**

Senator Sears, for the Committee on Judiciary, to which was referred House bill entitled:

An act relating to sexual violence.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 3251 is amended to read:

§ 3251. DEFINITIONS

As used in this chapter:

* * *

(3) ~~“Consent” means words or actions by a person indicating a voluntary agreement to engage in a sexual act~~ the affirmative, unambiguous, and voluntary agreement to engage in a sexual act, which can be revoked at any time.

* * *

(10) “Incapable of consenting” means the person:

(A) is incapable of understanding the nature of the conduct at issue;

(B) is physically incapable of resisting, declining participation in, or communicating unwillingness to engage in the conduct at issue; or

(C) lacks the mental ability to make or communicate a decision about whether to engage in the conduct at issue.

Sec. 2. 13 V.S.A. § 3252 is amended to read:

§ 3252. SEXUAL ASSAULT

(a) No person shall engage in a sexual act with another person ~~and compel the other person to participate in a sexual act:~~

(1) without the consent of the other person; ~~or~~

(2) by threatening or coercing the other person; ~~or~~

(3) by placing the other person in fear that any person will suffer imminent bodily injury; or

(4) when the person knows or reasonably should know that the other person is asleep, unconscious, or otherwise unaware that the sexual act is occurring.

~~(b)(1) No person shall engage in a sexual act with another person and impair substantially the ability of the other person to appraise or control conduct by administering or employing drugs or intoxicants without the knowledge or against the will of the other person administer any alcohol, drugs, or other intoxicants to another person without the person’s knowledge or against the person’s will and, while the person is impaired by the alcohol, drugs, or intoxicants, engage in a sexual act with that person.~~

(2) No person shall engage in a sexual act with another person when the other person is incapable of consenting to the sexual act due to substantial impairment by alcohol, drugs, or other intoxicants and that condition is known or reasonably should be known by the person.

* * *

(f)(1) A person who violates subsection (a), (b), (d), or (e) of this section shall be imprisoned not less than three years and for a maximum term of life; and, in addition, may be fined not more than \$25,000.00.

* * *

(g) A person convicted of violating subsection (a), (b), (d), or (e) of this section shall be sentenced under section 3271 of this title.

Sec. 3. 13 V.S.A. § 3254 is amended to read:

§ 3254. TRIAL PROCEDURE; CONSENT

In a prosecution for a crime defined in this chapter or section 2601 of this title:

(1) ~~lack~~ Lack of consent may be shown without proof of resistance;

(2) Submission resulting from the use of force, threat of force, or placing another person in fear does not constitute consent.

(3) Consent shall not be demonstrated by evidence prohibited under section 3255 of this title.

(4) A sleeping or unconscious person cannot consent.

(5) a A person shall be deemed to have acted without the consent of the other person where the actor:

(A) ~~knows~~ knew or reasonably should have known that the other person ~~is was~~ mentally incapable of understanding the nature of consenting to the sexual act or lewd and lascivious conduct; or

(B) ~~knows that the other person is not physically capable of resisting, or declining consent to, the sexual act or lewd and lascivious conduct; or~~

(C) ~~knows~~ knew or reasonably should have known that the other person ~~is~~ was unaware that a sexual act or lewd and lascivious conduct ~~is~~ was being committed; or

(D)(C) ~~knows that the other person is mentally incapable of resisting, or declining consent to, the sexual act or lewd and lascivious conduct, due to a mental condition or a psychiatric or developmental disability as defined in 14 V.S.A. § 3061~~ knew or reasonably should have known that the other person was incapable of consenting to the sexual act or lewd and lascivious conduct with the actor because the person was substantially impaired by alcohol, drugs, or other intoxicants.

Sec. 4. VERMONT SENTENCING COMMISSION

The Vermont Sentencing Commission shall examine whether the application of 13 V.S.A. § 3254 (trial procedure; consent) to 13 V.S.A. § 2601 (lewd and lascivious conduct) continues to be appropriate given recent amendments to 13 V.S.A. chapter 59 (lewdness and prostitution).

Sec. 5. DATA COLLECTION AND REPORTING

(a)(1) On or before September 1, 2024 and bi-annually thereafter, the Department of Public Safety shall provide a statistical report to the General Assembly based on data from the National Incident Based Reporting System and the Vermont Judiciary on the following:

(A) the number of sexual violence cases reported to State, county, and municipal law enforcement agencies and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with 20 V.S.A. § 2358;

(B) the number of civil sexual assault or stalking orders granted;

(C) the number of sexual violence cases referred by law enforcement to a State's Attorney or the Attorney General for potential charges; and

(D) the number of sexual violence cases charged, the nature of the charge, and the disposition of the charges.

(2) The data identified in subdivision (a)(1) of this section shall be organized and reported to the General Assembly by county.

(b) The Department of Public Safety shall make a reasonable effort to protect victim confidentiality when statistical information may be identifying.

(c) The Department of Public Safety shall post the data collected pursuant to subsection (a) of this section on its website in a manner that is clear, understandable, and accessible to the public.

Sec. 6. EFFECTIVE DATE

This act shall take effect July 1, 2021.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Sears, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Judiciary.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Judiciary?,

Senators Lyons, Campion, Chittenden, Hooker, Perchlik and Terenzini moved to amend the proposal of amendment of the Committee on Judiciary by striking out Sec. 6, effective date, in its entirety and inserting in lieu thereof four new sections to be numbered Secs. 6 through 9 to read as follows:

Sec. 6. 16 V.S.A. § 2187 is added to read:

§ 2187. INTERCOLLEGIATE SEXUAL HARM PREVENTION
COUNCIL

(a) Creation. There is created the Intercollegiate Sexual Harm Prevention Council to create a coordinated response to campus sexual harm across institutions of higher learning in Vermont.

(b) Membership.

(1) The Council shall be composed of the following members:

(A) a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the Chancellor of the Vermont State Colleges;

(B) a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the University of Vermont;

(C) a Title IX coordinator and a campus-based sexual harm prevention/education coordinator from an institution of higher learning, appointed by the President of the Association of Vermont Independent Colleges;

(D) two community-based sexual violence advocates, appointed by the Network Against Domestic and Sexual Violence;

(E) two law enforcement or public safety representatives with experience responding to and investigating campus sexual violence, appointed by the Commissioner of Public Safety;

(F) three college students, at least one of whom has lived experience as a sexual violence survivor and one who represents a campus-based racial justice organization, appointed by the Center for Crime Victim Services;

(G) a person with expertise in sexual violence responses within the lesbian, gay, bisexual, transgender, and queer community, appointed by the Center for Crime Victim Services;

(H) a sexual assault nurse examiner, appointed by the Network Against Domestic and Sexual Violence;

(I) a prosecutor with experience in prosecuting sexual violence cases from either the Department of State's Attorneys and Sheriffs or the Office of the Attorney General, appointed by the Attorney General; and

(J) an attorney with experience in sexual violence cases, appointed by the Defender General.

(2) To ensure a council that is reflective of Vermont's college campuses, appointing authorities shall consider diversity when making appointments to the Council.

(c) Duties. The Council shall:

(1) Review the recommendations from the Report of the Vermont Campus Sexual Harm Task Force and develop prevention solutions to sexual harm based on those recommendations.

(2) Implement interdisciplinary planning and information sharing to support sexual violence prevention programs on every college campus in Vermont.

(3) Undertake an annual review of trends in aggregate data collected by institutions of higher learning regarding sexual violence on college campuses in Vermont.

(4) Identify and share effective practices on violence prevention, sexual health education, and strategies for mitigating sexual harm and secondary impacts of sexual harm on college campuses in Vermont.

(5) Identify campus-wide activities, publications, and services that promote a campus culture of respect to support the prevention of sexual harm.

(6) Recommend statutory protections to the General Assembly not later than November 1, 2021 to ensure that survivors of sexual harm are not punished for reporting an incident of sexual violence due to alcohol, drug use, or other minor conduct violations occurring at or around the time of an assault.

(d) Assistance. The Council shall have the administrative and technical assistance of the Network Against Domestic and Sexual Violence.

(e) Report. On or before December 1, 2022 and annually thereafter, the Council shall submit a written report to the General Assembly with a summary of activities and any recommendations for legislative action.

(f) Meetings.

(1) The Network Against Domestic and Sexual Violence shall call the first meeting of the Council to occur on or before July 15, 2021.

(2) The Council shall select a chair from among its members at the first meeting.

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

(4) The Council shall meet quarterly.

(5) Members who are not otherwise compensated by the member's employer for attendance at meetings shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Network Against Domestic and Sexual Violence for such purposes.

Sec. 7. REPEAL

16 V.S.A. § 2187 (Intercollegiate Sexual Harm Prevention Council) is repealed on July 1, 2025.

Sec. 8. APPROPRIATIONS

(a) In fiscal year 2022, \$11,990.00 is appropriated to the Center for Crime Victim Services to provide a grant for the purpose of staffing the Intercollegiate Sexual Harm Prevention Council.

(b) In fiscal year 2022, \$1,010.00 is appropriated to the Center for Crime Victim Services to provide for per diem compensation and reimbursement of expenses for members who are not otherwise compensated by the member's employer for attendance at meetings.

Sec. 9. EFFECTIVE DATES

(a) This section and Secs. 6 (Intercollegiate Sexual Harm Prevention Council) and 8 (Appropriations) shall take effect on passage.

(b) The remaining sections shall take effect on July 1, 2021.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Judiciary, as amended, was agreed to and third reading of the bill was ordered.

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 434.

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to establishing the Agricultural Innovation Board.

Was taken up.

The House concurs in the Senate proposal of amendment with further proposal of amendment thereto as follows:

In Sec. 1, 6 V.S.A. chapter 215, subchapter 7A, in section 4964, by striking out subsection (d) in its entirety and inserting in lieu thereof the following:

(d) Seed review. The Agricultural Innovation Board shall advise the Secretary regarding the sale, distribution, or use of genetically engineered seed in the State and may recommend to the Secretary limits or conditions on the sale, distribution, or use of a genetically engineered seed or seeds or recommend a limited period of time for sale of a genetically engineered seed or seeds.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Committee of Conference Appointed

H. 449.

An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator White
Senator Pollina
Senator Collamore

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Adjournment

On motion of Senator Balint, the Senate adjourned until ten o'clock in the morning.

FRIDAY, MAY 14, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 71

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 15. An act relating to correcting defective ballots.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has adopted joint resolution of the following title:

J.R.H. 6. Joint resolution relating to racism as a public health emergency.

In the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposals of amendment to House bill of the following title:

H. 360. An act relating to accelerated community broadband deployment.

And has refused to concur therein and asks for a Committee of Conference upon the disagreeing votes of the two Houses;

And the Speaker appointed as members of such Committee on the part of the House:

Rep. Briglin of Thetford
Rep. Sibia of Dover
Rep. Patt of Worcester

The Governor has informed the House that on May 12, 2021, he approved and signed bills originating in the House of the following titles:

H. 104. An act relating to considerations in facilitating the interstate practice of health care professionals using telehealth.

H. 218. An act relating to the sale of unpasteurized raw milk.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the thirteenth day of May, 2021 he approved and signed a bill originating in the Senate of the following title:

S. 114. An act relating to improving prekindergarten through grade 12 literacy within the State.

Bill Referred to Committee on Finance

H. 157.

House bill of the following title, appearing on the Calendar for notice, and affecting the revenue of the state, under the rule was referred to the Committee on Finance:

An act relating to registration of construction contractors.

Bill Referred to Committee on Appropriations

H. 289.

House bill of the following title, appearing on the Calendar for notice and carrying an appropriation or requiring the expenditure of funds, under the rule was referred to the Committee on Appropriations:

An act relating to professions and occupations regulated by the Office of Professional Regulation.

Joint Resolution Referred

J.R.H. 6.

Joint resolution originating in the House of the following title was read the first time and is as follows:

Joint resolution relating to racism as a public health emergency.

Whereas, stark and persistent health inequities exist in the United States based on race and that are caused by systemic racism, and

Whereas, systemic racism is a principal social determinant of individual and public health, impacting economic, employment, education, housing, justice, and health opportunities and outcomes, all of which further adversely impact the health of People of Color, and

Whereas, the COVID-19 pandemic is now exacerbating these inequities, and Black and Latino people in the United States have been nearly three times as likely to die, and

Whereas, these same inequities exist in Vermont, and during the pandemic, though Black residents comprise just over one percent of Vermont's population, they account for approximately 4.8 percent of the total confirmed COVID-19 cases as of December 16, 2020, and

Whereas, research and experience demonstrate that Vermont residents experience barriers to the equal enjoyment of good health based on race and ethnicity, and

Whereas, the incidence rate of COVID-19 for non-White Vermonters is 74.2 versus 26.2 for White Vermonters, and specifically the incidence rate for Black Vermonters is 225.7; the incidence rate for Asian Vermonters is 61; the incidence rate for Hispanic Vermonters is 41.7; and the incidence rate for other races is 20.5, and

Whereas, while there are not statistically significant differences in the rates of preexisting conditions, such as diabetes, lung disease, and cardiovascular disease, among White and non-White Vermonters, there are disparities in the rates of preexisting conditions among Vermonters testing positive for COVID-19, which suggests that non-White Vermonters are at higher risk of exposure to COVID-19 due to their type of employment and living arrangements, and

Whereas, 36 percent of non-White Vermonters had household contact with a confirmed case of COVID-19, as compared to only 20 percent of White Vermonters, and

Whereas, according to the Department of Health's 2018 Behavioral Risk Factor Surveillance System report, non-White Vermonters are: (1) statistically less likely to have a personal doctor; (2) statistically more likely to report poor mental health; (3) more than twice as likely to report rarely or never getting the necessary emotional and social support; (4) significantly more likely to have depression; (5) significantly more likely to have been worried about having enough food in the past year; and (6) significantly more likely to report no physical activity during leisure time, and

Whereas, non-white Vermonters are disproportionately represented in the total number of patients in the highest level of involuntary hospital beds in the State, comprising 15 percent of the patients admitted to the Vermont Psychiatric Care Hospital between May 1, 2019 and April 30, 2020, and

Whereas, social determinants of health are underlying, contributing factors of the foregoing health inequities, and

Whereas, 21 percent of Black Vermonters own their own homes, while 72 percent of White Vermonters own their own homes, and nationally, 41 percent of Black Americans own their own homes, and

Whereas, the median household income of Black Vermonters is \$41,533.00 while the median household income of White Vermonters is \$58,244.00, and

Whereas, in 2018, 23.8 percent of Black Vermonters were living in poverty while 10.7 percent of White Vermonters lived in poverty, and 57 percent of Black Vermonters earned less than 80 percent of Vermont's median income while 43 percent of White Vermonters earned less than 80 percent of Vermont's median income, and

Whereas, about one in two non-White Vermonters experience "housing problems," which is defined as having homes that lack complete kitchen facilities or plumbing, having overcrowded homes, or paying more than 30 percent of household income towards rent, mortgage payments, and utilities, and

Whereas, Black Vermonters are overrepresented among Vermonters experiencing homelessness, in that they make up six percent of Vermonters experiencing homelessness, while making up approximately one percent of Vermont's population, now therefore be it

Resolved by the Senate and House of Representatives:

That racism constitutes a public health emergency in Vermont, and be it further

Resolved: That this legislative body commits to the sustained and deep work of eradicating systemic racism throughout the State, actively fighting racist practices, and participating in the creation of more just and equitable systems, and be it further

Resolved: That this legislative body commits to coordinating work and participating in ongoing action, grounded in science and data, to eliminate race-based health disparities and eradicate systemic racism, and be it further

Resolved: That the Secretary of State be directed to send a copy of this resolution to the Governor, the Chief Justice of the Vermont Supreme Court, the League of Cities and Towns, all regional planning commissions, and the Vermont Racial Justice Alliance.

Thereupon, in the discretion of the President, under Rule 51, the joint resolution was treated as a bill and referred to the Committee on Rules under Temporary Rule 44A.

House Proposal of Amendment Concurred In with Amendment

S. 115.

House proposal of amendment to Senate bill entitled:

An act relating to making miscellaneous changes in education laws.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Libraries in Vermont * * *

Sec. 1. WORKING GROUP ON THE STATUS OF LIBRARIES IN VERMONT; REPORT

(a) Creation. There is created the Working Group on the Status of Libraries in Vermont to study and report on the statewide status of Vermont's libraries. The Working Group is formed with the intent of strengthening and supporting libraries of all sizes and improving library services for the public.

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

(1) the State Librarian;

(2) the President of the Vermont Library Association or designee;

(3) the Executive Director of the Vermont Humanities Council or designee;

(4) three representatives of public libraries, who shall be from libraries of different sizes and from different regions of the State, appointed by the State Librarian;

(5) two representatives of public school libraries, who shall be from schools of different sizes and from different regions of the State, appointed by the Vermont School Library Association;

(6) two representatives of college and university libraries, appointed by the President of the College and Special Libraries Section of the Vermont Library Association; and

(7) one public library trustee, appointed by the President of the Friends and Trustees Section of the Vermont Library Association.

(c) Powers and duties. The Working Group shall study:

(1) library services for specific segments of the Vermont population, including senior citizens, individuals with disabilities, youths and children, immigrant and migrant communities, and people living in poverty;

(2) the role that libraries play in emergency preparedness, cultural diversity and inclusion, public health and safety, community identity and resiliency, economic development, and access to public programs and services;

(3) the impact of the COVID-19 pandemic on library operations and services; and

(4) the current overall status of Vermont libraries, which may include information related to programming, collections, facilities, technology, and staffing.

(A) Programming. The Working Group may study the types and frequency of library programs, attendance at library programs, and whether library programs are meeting community needs. The study of programming may include an assessment of public engagement and outreach surrounding library programming as well as the opportunities for nonlibrary programs and groups to access Vermont libraries.

(B) Collections. The Working Group may study the size and diversity of library holdings and assess the strengths and gaps in materials available to Vermonters. The study of collections may include an assessment of how libraries may best share resources across differing libraries and communities, whether libraries offer community-specific resources, and whether libraries maintain special collections or historical artifacts.

(C) Facilities. The Working Group may study whether library facilities and buildings could be improved with regard to energy efficiency, accessibility, flexibility, human health and safety, historic preservation, and intergenerational needs.

(D) Technology. The Working Group may study whether Vermont libraries have sufficient access to basic technological resources, cyber-security resources, high-speed Internet, electronic catalogs, interlibrary loan and other interoperable systems, and appropriate hardware and software.

(E) Staff. The Working Group may study staffing levels at Vermont libraries, whether staffing levels are sufficient to meet community needs, whether library staff compensation and benefits are sufficient, how libraries rely on volunteers, and what resources are available for workforce development and training of library staff.

(d) Public input. As part of the study and report, the Working Group shall solicit feedback from the general public and library users around the State. The Working Group may examine models for library management and organization in other states, including the formation of statewide service networks.

(e) Data to be used. The data used in the analysis of library services and operations may be from 2019, prior to the COVID-19 pandemic. Postpandemic data may also be used to assess the status of library services and operations.

(f) Consultation with the Board of Libraries. The Working Group may solicit feedback from the Board of Libraries.

(g) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Department of Libraries.

(h) Report. On or before November 1, 2023, the Working Group shall submit a report to the House and Senate Committees on Education. The report shall contain:

(1) specific and detailed findings and proposals concerning the issues set forth in subsection (c) of this section;

(2) recommendations for updating the statutes, rules, standards, and the governance structures of Vermont libraries to ensure equitable access for Vermont residents, efficient use of resources, and quality in the provision of services;

(3) recommendations related to the funding needs of Vermont libraries, including capital, ongoing, and special funding; and

(4) any other information or recommendations that the Working Group may deem necessary.

(i) Meetings.

(1) The State Librarian shall be the Chair of the Working Group.

(2) The Chair shall call the first meeting of the Working Group to occur within 45 days after the effective date of this act.

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

(4) The Working Group shall cease to exist on December 1, 2023.

(j) Compensation and reimbursement. Members of the Working Group shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 12 meetings. These payments shall be made from monies appropriated to the Department of Libraries.

(k) Appropriation. The sum of \$12,000.00 is appropriated to the Department of Libraries from the General Fund in fiscal year 2022 for per diem compensation and reimbursement of expenses for members of the Working Group.

Sec. 2. 3 V.S.A. § 260 is amended to read:

§ 260. LOCATION OF OFFICES

* * *

~~(c) The principal office of each of the following boards and divisions shall be located in Montpelier: Division for Historic Preservation and Board of Libraries. [Repealed.]~~

* * *

Sec. 3. [Deleted.]

Sec. 4. 16 V.S.A. § 212 is amended to read:

§ 212. SECRETARY'S DUTIES GENERALLY

The Secretary shall execute those policies adopted by the State Board in the legal exercise of its powers and shall:

* * *

(7) Arrange conferences and summer schools for superintendents and teachers and employ suitable speakers, lecturers, and instructors for the same; fix the amount of tuition for the instruction; provide for educational gatherings, institutes, summer schools, and other supplementary educational activities; and provide for cooperation with the Board of Libraries established by 22 V.S.A. § 602 or the State Librarian.

* * *

Sec. 5. [Deleted.]

Sec. 6. 29 V.S.A. § 1108 is amended to read:

§ 1108. ACCEPTANCE OR REJECTION OF BIDS; CONDITIONS OF CONTRACTS

The Commissioner of Buildings and General Services may require satisfactory bonds from bidders and contractors, ~~and shall specify in each contract for printing that, in case the matter contracted for is not delivered to the State Librarian or in accordance with his or her written order to such other person as may be specified in the contract, on or before the date specified in the contract for such delivery, \$25.00 of the contract price shall be deducted for every day such delivery is delayed, and, in case the delay exceeds 10 days, there shall be deducted in addition to the above amount \$10.00 for each day's delay over 10 days; and he or she shall also specify in each contract that all public documents and printed matter shall be delivered to the State Librarian at the State Library unless otherwise directed in writing by him or her or the State Librarian. The provisions of this section and section 1107 of this title relating to advertising and bids shall not apply to a contract for printing where the amount of the contract does not exceed \$50.00.~~

Sec. 7. REPEALS

The following are repealed:

- (1) 4 V.S.A. § 16 (briefs and other papers kept in State Library);
- (2) 29 V.S.A. § 1156 (distribution of documents by State Librarian); and
- (3) 29 V.S.A. § 1161 (distribution of documents to schools).

* * * Cultural Liaisons * * *

Sec. 8. 16 V.S.A. § 4029 is amended to read:

§ 4029. USE OF FUNDS FOR EDUCATION

(a) Funds received by a school district may be used only for legitimate items of current education expense and shall not be used for municipal services.

(b) Funds received by a municipality other than a school district may not be used directly or indirectly for education expenses.

* * *

(g) Notwithstanding anything to the contrary in this section or otherwise in law, a school district and the town or city municipality or municipalities in which the school district operates may jointly fund the services of one or more cultural liaisons to support students and families who have limited English proficiency (LEP). A cultural liaison provides language translation and interpretation services to help facilitate educational and municipal services for LEP students and families; facilitates communication among school and municipal staff, LEP students and families, and community organizations; and assists in reconciling differing cultural perspectives and understandings.

* * * Wellness Program * * *

Sec. 9. 16 V.S.A. § 136 is amended to read:

§ 136. WELLNESS PROGRAM; ADVISORY COUNCIL ON WELLNESS
AND COMPREHENSIVE HEALTH

(a) As used in this section:

* * *

(5) “Wellness program” means a program that includes physical fitness and ~~nutrition~~ comprehensive health education as defined in section 131 of this title.

(b) ~~The Secretary with the approval of the State Board~~ shall establish an Advisory Council on Wellness and Comprehensive Health that shall include at

least three members associated with the health services field with expertise in health services, health education, or health policy, at least one member who is a school counselor, and at least one member who is a school social worker. The members shall serve without compensation but shall receive their actual expenses incurred in connection with their duties relating to wellness and comprehensive health programs. The Council shall assist the Agency to plan, coordinate, and encourage wellness and comprehensive health programs in the public schools and shall meet not less than twice a year. The Council shall also examine and coordinate state health wellness polices and federal wellness policies to identify and, if possible, eliminate any redundancies.

(c) The Secretary shall collaborate with other agencies and councils working on childhood wellness to:

(1) Supervise the preparation of appropriate nutrition and fitness wellness program curricula for use in the public schools, promote programs for the preparation of teachers to teach these curricula, and assist in the development of wellness programs.

* * *

~~(5) Create a process for schools to share with the Department of Health any data collected about the height and weight of students in kindergarten through grade six. The Commissioner of Health may report any data compiled under this subdivision on a countywide basis. Any reporting of data must protect the privacy of individual students and the identity of participating schools.~~

* * *

Sec. 10. SCHOOL WELLNESS POLICY

On or before January 15, 2022, the Agency of Education, in collaboration with the Advisory Council on Wellness and Comprehensive Health created under 16 V.S.A. § 136 and the Vermont School Boards Association, shall update and distribute to school districts a model wellness program policy, using the expanded definition of “wellness program” under 16 V.S.A. § 136, as amended by this act, that shall:

(1) be in compliance with all relevant State and federal laws; and

(2) reflect nationally accepted best practices for comprehensive health education and school wellness policies, such as guidance from the Centers for Disease Control and Prevention’s Whole School, Whole Community, Whole Child Model.

* * * Menstrual Products * * *

Sec. 11. 16 V.S.A. § 1432 is added to read:

§ 1432. MENSTRUAL PRODUCTS

(a) By enacting this statute, the General Assembly intends to ensure that all students attending a public school or an approved independent school have access to menstrual products at no cost and without having to request them.

(b)(1) A school district and an approved independent school shall make menstrual products available at no cost for each school within the district or under the jurisdiction of the board of the independent school in:

(A) a majority of gender-neutral bathrooms and bathrooms designated for female students that are generally used by students who are eight years of age or older; and

(B) the school nurse's office.

(2) The school district or independent school, in consultation with the school nurse who provides services to the school, shall determine which of the gender-neutral bathrooms and bathrooms designated for female students to stock with menstrual products and which brands to use.

(c) School districts and approved independent schools shall bear the cost of supplying menstrual products and may seek grants or partner with a nonprofit or community-based organization to fulfill this obligation.

* * * Vermont Ethnic and Social Equity Standards Advisory Working
Group * * *

Sec. 12. 2019 Acts and Resolves No. 1 is amended to read:

* * *

(c) Creation and composition. The Ethnic and Social Equity Standards Advisory Working Group is established. The Working Group shall comprise the following ~~20~~ 23 members:

(1) ~~10~~ 13 members who are members of, and represent the interests of, ethnic groups and social groups, ~~two~~ four of whom shall be high school students and two of whom shall be members of Vermont's Indigenous community;

* * *

(d) Appointment and operation.

(1) The Vermont Coalition for Ethnic and Social Equity in Schools (Coalition) shall appoint the ~~10~~ 13 members who represent ethnic groups and

social groups and the member identified under subdivision (c)(2) of this section. Appointments of members to fill vacancies to these positions shall be made by the Coalition.

* * *

(3)(A) The Secretary of Education or designee shall call the first meeting of the Working Group to occur on or before September 1, 2019.

* * *

(E) The Working Group shall have the assistance of the Agency of Education for the purposes of scheduling meetings and processing compensation and reimbursement pursuant to subsection (e) of this section administrative, technical, and legal assistance of the Agency of Education. If the Agency is unable to provide the Working Group with adequate support to assist it with developing recommendations for updating educational standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups, then the Agency, in collaboration with the Working Group, is authorized to retain a contractor with expertise in this area to assist the Working Group.

* * *

(g) Duties of the Working Group.

(1) The Working Group shall review standards for student performance adopted by the State Board of Education under 16 V.S.A. § 164(9) and, on or before ~~June 30, 2021~~ December 31, 2021, recommend to the State Board updates and additional standards to recognize fully the history, contributions, and perspectives of ethnic groups and social groups. These recommended additional standards shall be designed to:

* * *

(h) Reports.

(3) The Working Group shall, on or before ~~July 1, 2022~~ December 31, 2022, submit a report to the General Assembly that includes:

* * *

(i) Duties of the State Board of Education. The Board of Education shall, on or before ~~June 30, 2022~~ December 31, 2022, consider adopting ethnic and social equity studies standards into standards for student performance adopted by the State Board under 16 V.S.A. § 164(9) for students in prekindergarten through grade 12, taking into account the report submitted by the Working Group under subdivision (g)(1) of this section.

Sec. 13. APPROPRIATIONS; VERMONT ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY WORKING GROUP

(a) The sum of \$3,700.00 is appropriated from the General Fund to the Vermont Ethnic and Social Equity Standards Advisory Working Group (Working Group) in fiscal year 2022 to cover per diem and reimbursement for the three members of the Working Group added under Sec. 12 of this act.

(b) The sum of \$50,000.00 is appropriated from the General Fund to the Agency of Education in fiscal year 2022 for the cost of the contractor under Sec. 12 of this act.

(c) Any unused portion of these appropriation shall, as of July 1, 2022, revert to the General Fund.

* * * Shared School District Data Management System * * *

Sec. 14. FINDINGS AND PURPOSE

(a) Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, requires that not later than July 1, 2022 all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts utilize the same shared school district data management system (eFinancePlus), which shall be selected by the Agency of Education per State procurement guidelines.

(b) The purpose of Secs. 15-17 of this act is to:

(1) extend the deadline to December 31, 2022 for statewide adoption of eFinancePlus;

(2) pause until January 1, 2022 the further implementation of eFinancePlus to provide time for further evaluation of the system, provided that:

(A) the Agency of Education and its contractor for implementation of the system shall continue to support users of the system; and

(B) a supervisory union, supervisory district, school district, or independent technical center district that does not use the system may join an implementation round offered by the Agency of Education during the pause period upon approval by its governing body; and

(3) require the Agency of Education to issue status reports to the General Assembly.

Sec. 15. 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.500.1, as amended by 2019 Acts and Resolves No. 72, Sec. E.500.5, is further amended to read:

Sec. E.500.1. SCHOOL FINANCE AND SHARED SCHOOL DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

(a) Not later than July 1 December 31, 2022, all Vermont supervisory unions, supervisory districts, school districts, and independent technical center districts shall utilize the same school finance and financial data management system. The system shall be selected by the Agency of Education per State procurement guidelines.

* * *

Sec. 16. PAUSE OF IMPLEMENTATION OF SHARED SCHOOL DISTRICT FINANCIAL DATA MANAGEMENT SYSTEM

Notwithstanding Sec. E.500.1 of 2018 (Sp. Sess.) Acts and Resolves No. 11, as amended, the implementation of the Shared School District Data Management System shall be paused until January 1, 2022, provided that:

(1) the Agency of Education and its contractor for implementation of the system shall continue to support users, as of the date of enactment of this act, of the system; and

(2) a supervisory union, supervisory district, school district, or independent technical center district that does not use the system may join an implementation round offered by the Agency of Education during the pause period upon approval by its governing body.

Sec. 17. AGENCY OF EDUCATION; REPORTS

(a) On or before June 30, 2021 and quarterly thereafter until March 31, 2023, the Agency of Education shall provide a written report to the General Assembly and the Vermont Association of School Business Officials on the status of improving and implementing the Shared School District Data Management System, including the status of:

- (1) system outages;
- (2) bank reconciliations;
- (3) reporting enhancements;
- (4) systems enhancements; and
- (5) user training.

(b) In preparing the quarterly reports, the Agency shall collect input from the Vermont Association of School Business Officials and professional accounting firms engaged in the process of conducting school district audits in Vermont.

* * * State Board of Education; Agency of Education; Roles and Responsibilities * * *

Sec. 18. STATE BOARD OF EDUCATION; AGENCY OF EDUCATION;
ROLES AND RESPONSIBILITIES

(a) On or before December 15, 2021, the State Board of Education and the Agency of Education shall jointly report to the House and Senate Committees on Education on how the roles and responsibilities of the State Board and the Agency should be restructured to ensure that:

(1) the prekindergarten through grade 12 educational system meets the needs of all students on a fair and equitable basis;

(2) federal and State statutory mandates are carried out in a professional and timely manner, including the updating of rules;

(3) the State Board and the Agency have the resources necessary to fulfill their roles and responsibilities, including an adequate number of qualified and properly trained staff; and

(4) the State Board and the Agency maximize operational and administrative efficiencies.

(b) As part of this process, the State Board and the Agency shall identify and document all federal and State statutory mandates and rules for which they are responsible and assess whether they are being carried out in a professional and timely manner. The results of this analysis shall be included in the report required under subsection (a) of this section.

(c) If the State Board and the Agency cannot agree on how the roles and responsibilities of the State Board and the Agency should be restructured to meet the goals under subsection (a) of this section, then they shall each identify in the report the areas of agreement and disagreement and explain why its proposal best achieves these goals. The report shall not include legislative language, which shall be developed after the Committees have considered the report.

* * * Effective Dates * * *

Sec. 19. EFFECTIVE DATES

This act shall take effect on passage, except that school districts and approved independent schools shall comply with the requirements of Sec. 11 (menstrual products) for the 2022–2023 school year and thereafter.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Chittenden, Champion, Hooker, Lyons, Perchlik and Terenzini moved that the Senate concur in the House proposal of amendment with an amendment as follows:

By striking out Sec. 19, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * State Board of Education; Members * * *

Sec. 19. 16 V.S.A. § 161 is amended to read:

§ 161. STATE BOARD OF EDUCATION; APPOINTMENT OF MEMBERS; TERM; VACANCY

The State Board shall consist of ten members. Two of the members shall be secondary students, one of whom shall be a full member and the other of whom shall be a junior member who may not vote. All members shall be appointed by the Governor with the advice and consent of the Senate. In the appointment of the nonstudent members, priority shall be given to the selection of persons with a demonstrated commitment to ensuring quality education for Vermont students. To the extent possible, the members shall represent ~~geographically diverse areas of the State~~ the State's geographic, gender, racial, and ethnic diversity. The Secretary shall serve on the State Board as a nonvoting member.

* * *

* * * State Board of Education; Powers and Duties * * *

Sec. 20. 16 V.S.A. § 164 is amended to read:

§ 164. STATE BOARD; GENERAL POWERS AND DUTIES

The State Board shall ~~evaluate education policy proposals, including timely evaluation of policies presented by the Governor and Secretary; engage local school board members and the broader education community; and establish and advance education policy for the State of Vermont~~ and, consistent with the provisions of this title, its own rules, and rules adopted by the Secretary, establish and regularly update a long-term strategic vision for the delivery of educational services in Vermont; advise the General Assembly, the Governor, and the Secretary of Education on high-priority educational policies and issues as they arise; and act in accordance with legislative mandates, including the adoption of rules and executing special assignments. In addition to other specified duties, the Board shall:

(1) Establish such advisory commissions as in the judgment of the Board will be of assistance to it in carrying out its duties. Advisory commission members shall serve with or without compensation at the discretion of the Board but shall receive actual expenses incurred in pursuance of their duties.

(2) Have the authority to enter into agreements with school districts, municipalities, states, the United States, foundations, agencies, or individuals for service, educational programs, or research projects.

(3) Examine and determine all appeals that by law are made to it and prescribe rules of practice in respect thereto, not inconsistent with law.

(4) ~~Review and comment on an Agency budget prepared by the Secretary for the Governor.~~ [Repealed.]

(5) [Repealed.]

(6) Make regulations governing the attendance and records of attendance of all students and the deportment of students attending public schools.

(7) Adopt rules pursuant to 3 V.S.A. chapter 25 ~~as necessary or appropriate for the execution of its powers and duties and of the powers and duties of all persons under its supervision and control~~ to carry out the powers and duties of the Board as directed by the General Assembly, within the limitations of legislative intent.

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

This act shall take effect on passage, except that school districts and approved independent schools shall comply with the requirements of Sec. 11 (menstrual products) for the 2022–2023 school year and thereafter.

Which was agreed to.

Bill Passed in Concurrence with Proposal of Amendment

H. 183.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to sexual violence.

Proposal of Amendment; Third Reading Ordered

H. 88.

Senator Parent, for the Committee on Agriculture, to which was referred House bill entitled:

An act relating to certification of agricultural use for purposes of the use value appraisal program.

Reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 2, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 2. 32 V.S.A. § 3752(5) is amended to read:

(5)(A) “Development” means, for the purposes of determining whether a land use change tax is to be assessed under section 3757 of this chapter, the construction of any building, road, or other structure, or any mining, excavation, or landfill activity.

(B) “Development” also means the subdivision of a parcel of land into two or more parcels, regardless of whether a change in use actually occurs, where one or more of the resulting parcels contains less than 25 acres each; but if subdivision is solely the result of a transfer to one or more of a spouse, ex-spouse in a divorce settlement, parent, grandparent, child, grandchild, niece, nephew, or sibling of the transferor, or to the surviving spouse of any of the foregoing, then “development” shall not apply to any portion of the newly created parcel or parcels that qualify for enrollment and for which, within 30 days following the transfer, each transferee or transferor applies for reenrollment in the use value appraisal program.

(C) “Development” also means the cutting of timber on property appraised under this chapter at use value in a manner contrary to a forest or conservation management plan as provided for in subsection 3755(b) of this title during the remaining term of the plan, or contrary to the minimum acceptable standards for forest management if the plan has expired; or a change in the parcel or use of the parcel in violation of the conservation management standards established by the Commissioner of Forests, Parks and Recreation.

(D) “Development” also means notification of the Director by the Secretary of Agriculture, Food and Markets under section 3756 of this title that the owner or operator of agricultural land or a farm building is violating the water quality requirements of 6 V.S.A. chapter 215 or is failing to comply with the terms of an order issued under 6 V.S.A. chapter 215, subchapter 10.

(E) The term “development” shall not include the construction, reconstruction, structural alteration, relocation, or enlargement of any building, road, or other structure for farming, logging, forestry, or conservation purposes, but shall include the subsequent commencement of a use of that building, road, or structure for other than farming, logging, or forestry purposes.

(F) The term “development” shall not include the location of any solar generation facility that is, in the aggregate, on 0.1 of an acre of land or

less, provided that the underlying land qualifies under this chapter as agricultural land or open land that qualifies as managed forestland in accordance with standards established by the Commissioner of Forests, Parks and Recreation.

Sec. 3. 32 V.S.A. § 3756 is amended to read:

§ 3756. QUALIFICATION FOR USE VALUE APPRAISAL

(a) The owner of eligible agricultural land, farm buildings, or managed forestland shall be entitled to have eligible property appraised at its use value provided the owner shall have applied to the Director on or before September 1 of the previous tax year, on a form ~~approved by the Board and~~ provided by the Director. A farmer, whose application has been accepted on or before December 31 by the Director of the Division of Property Valuation and Review of the Department of Taxes for enrollment for the use value program for the current tax year, shall be entitled to have eligible property appraised at its use value, if ~~he or she~~ the farmer was prevented from applying on or before September 1 of the previous year due to the severe illness of the farmer.

* * *

(g) The Director shall ~~execute such~~ and provide other forms and the ~~board~~ Board shall adopt ~~such~~ other procedures and regulations, as are needed to ~~assure~~ ensure a fair opportunity for owners to qualify under this subchapter and to ~~assure~~ ensure compliance with the provisions of this chapter.

* * *

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

And that after passage the title of the bill be amended to read:

An act relating to the use value appraisal program.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Pearson, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 1, 32 V.S.A. § 3755(f), in its entirety and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. § 3755 is amended to read:

§ 3755. ELIGIBILITY FOR USE VALUE APPRAISALS

* * *

(f) ~~On~~ To maintain eligibility for use value appraisal under this subchapter, on or before November 1 of each year, the owner of agricultural land or buildings enrolled in the use value program as agricultural land or buildings shall certify in writing under oath to the Commissioner that the agricultural land or buildings enrolled by that owner continue to meet the requirements for enrollment in the use value program at the time of the certification. In the event the owner of agricultural land or buildings enrolled in the use value program fails to certify on or before November 1 of each year as required under this subsection, the Commissioner may waive the certification requirement, provided the Commissioner obtains, through other means, satisfactory information that the agricultural land continues or agricultural buildings continue to meet the other requirements for enrollment. The form of the certification shall be made on a form specified by the Director of Property Valuation and Review.

(g) Any applicant for a use value appraisal or any beneficiary of a use value appraisal must be in good standing with the Department of Taxes pursuant to subsection 3113(g) of this title to be eligible or to maintain eligibility for use value appraisal under this subchapter.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Agriculture was agreed to.

Thereupon, the recommendation of proposal of amendment of the Committee on Finance was agreed to.

Thereupon, third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 106.

Senator Campion, for the Committee on Education, to which was referred House bill entitled:

An act relating to equitable access to a high-quality education through community schools.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Short Title * * *

Sec. 1. SHORT TITLE

This act shall be called the “Community Schools Act.”

* * * Findings and Purpose * * *

Sec. 2. FINDINGS AND PURPOSE

(a) Findings. The General Assembly finds that:

(1) Every child should be provided with an equitable education, as defined by the Agency of Education as access to the resources, opportunities, and educational rigor they need at the right moment in their education, whatever their race, gender identity, sexual orientation, ethnicity, religion, language, disability, family background, or family income may be. Every child should be able to grow up with the opportunity to achieve their dreams and contribute to the well-being of society. Our public schools must be designed and equipped to fully deliver on that promise.

(2) According to the National Center for Education Statistics, more than half of the nation’s schoolchildren live in low-income households, meaning they qualify for free or reduced-price lunch, a percentage that has risen steadily in recent decades. According to the Vermont Agency of Education, an average of 38 percent of students across all supervisory unions during the 2019–2020 school year qualified for free or reduced-price lunch. As a result, some schoolchildren face more challenges than others in succeeding in school and in life. Recognizing that students need fresh and nutritional foods to enable them to focus on their education and that many students come to school hungry, providing universal school meals offered at no cost to students or their families advances the goals that community school programs seek to achieve.

(3) Community schools facilitate the coordination of comprehensive programs and services that are carefully selected to meet the unique needs of students and families and build on the assets they bring to their schools and communities. Community schools combine challenging and culturally inclusive learning opportunities with the academic and social supports every student needs to reach their potential.

(4) According to research reports from the Learning Policy Institute, the four key pillars of the community schools approach, which are integrated student supports, expanded and enriched learning time and opportunities, active family and community engagement, and collaborative leadership and practices, promote conditions and practices found in high-quality schools as well as address out-of-school barriers to learning. Research additionally supports the necessity of safe, inclusive, and equitable learning environments

to reinforce student success and well-being. These elements do not function independently, but are instead part of a unified and interconnected approach.

(5) This research also shows that community school interventions can result in improvements in a variety of student and family outcomes, including attendance, academic achievement, reducing systemic racial and economic injustices and inequities, and high school graduation rates, and can meet the Every Student Succeeds Act standard of “evidence-based” approaches to support schools identified for comprehensive and targeted support and intervention.

(6) Research also shows that these programs offer a strong return on investment. According to impact studies, each dollar invested in a community coordinator position returns approximately \$7.00 in net benefits to the school (Return on Investment of a Community School Coordinator: A Case Study; APEX and Community School Partnership; 2019). Every dollar invested in programs and support (including medical, dental, and social services; afterschool and summer enrichment; parent engagement; and early childhood services) can yield up to \$15.00 in return (Community Schools as an Effective School Improvement Strategy: A Review of the Evidence; Anna Maier, Julia Daniel, Jeannie Oakes, and Livia Lam; 2017).

(7) According to the Learning Policy Institute, “establishing community schools” is one of 10 recommended strategies for restarting and rethinking the role of public education in the wake of the COVID-19 pandemic. Community schools serve as resource hubs that provide a broad range of easily accessed, well-coordinated supports and services that help students and families with increasingly complex needs. These schools, at their core, are about investing in children, through quality teaching; challenging, engaging, and culturally responsive curricula; wrap around supports; safe, just, and equitable school climate; strong ties to family and community; and a clear focus on student achievement and well-being.

(8) Community schools are important centers for building community connection and resilience. When learning extends beyond the walls of the school through active engagement with community partners as with place-based learning, relationships expand and deepen, community strengths are highlighted, and opportunities for building vitality surface through shared learning.

(9) Community schools have been established in many states and settings, from New York City to Chicago and Los Angeles. But the approach has also been successful in rural communities. In McDowell County, West Virginia (population 22,000), community schools are part of a public-private partnership, a collaboration between state government, nonprofit agencies,

businesses, and philanthropic foundations, that aims to “make educational improvement the route to a brighter economic future.” The national nonprofit Rural School and Community Trust is an active advocate for expanding this model in rural areas, calling the relationship between good schools and thriving communities “crucial.” In Vermont, a growing number of schools are implementing or exploring the model, from Molly Stark Elementary in Bennington, which offers school-based health services, extended hours, summer school, and family learning activities, to the school-based health center in Winooski.

(10) Recognizing that literacy proficiency is a foundational learning skill, community schools can advance the State goal of improving literacy for all students in the State. Achieving this goal will require a multiyear and multidimensional effort requiring continued focus by the General Assembly, the Administration, and school leaders, and community schools are an important component of that effort.

(b) Purpose. This act provides funding for the implementation of community school programs that provide students with equitable access to a high-quality education and creates the Task Force on Universal School Lunch.

* * * Community School Programs * * *

Sec. 3. COMMUNITY SCHOOLS; FUNDING

(a) Definitions. As used in this section:

(1) “Community school coordinator” means a person who:

(A) is a full-time or part-time staff member serving in an eligible school or in a school district or supervisory union with an eligible school and appointed in accordance with Vermont law; and

(B) is responsible for the identification, implementation, and coordination of community school programs, subject to the operational and reporting structure of the community school coordinator’s employer.

(2) “Community school programs” mean programs offered at a public elementary or secondary school that include all five of the following:

(A) Integrated student supports, which address out-of-school barriers to learning through partnerships with social and health service agencies and providers, coordinated by a community school coordinator, which may include access to services such as medical, dental, vision care, and mental health services or access to counselors to assist with housing, transportation, nutrition, immigration, or criminal justice issues, and include what young people bring with them to the classroom and the ways that schools and communities working together can enhance and embrace the knowledge and

capacity that students and families can offer their schools. This could include educational strategies like universal design for learning, recognition and respect for cultural and linguistic diversity, and practices that focus on building and supporting relationships such as restorative practices.

(B) Expanded and enriched learning time and opportunities, which may include before-school, afterschool, weekend, summer programs, and during the school day, that provide additional academic instruction, individualized academic support, enrichment activities, and learning opportunities that emphasize real-world learning and community problem-solving and that may include art, music, drama, creative writing, hands-on experience with engineering or science, tutoring and homework help, and recreational programs that enhance and are consistent with the school's curriculum.

(C) Active family and community engagement, which brings students' families and the community into the school as partners in children's education and makes the school a community hub, where all students and their families feel a sense of belonging and engagement. This shall include broad student and community participation, with a diversity of income, race, gender, newcomer status, language, and ability represented in the design, implementation, and evaluation of all activities, that is embraced by the leaders and decision-makers in schools and communities. This also provides adults with a facility to access educational opportunities they want, which shall include access to evidence-based literacy instruction and may include coordinating services with outside providers to offer English as a second language classes, green card or citizenship preparation, computer skills, art, financial literacy, career counseling, job skills training, services for substance misuse, and other programs that bring community members into the building for meetings or events.

(D) Collaborative leadership and practices, which build a culture of professional learning, collective trust, and shared responsibility using strategies that shall, at a minimum, leverage the multitiered system of supports and include a community school coordinator and an integrated school and community leadership team that include youth and family representatives, and may include other leadership or governance teams; teacher learning communities; and other staff to manage the multiple, complex, joint work of school and community organizations.

(E) Safe, inclusive, and equitable learning environments.

(3) "Eligible recipient" means:

(A) a school district with one or more eligible schools;

(B) a supervisory union with one or more eligible schools;

(C) two or more school districts, each with one or more eligible schools that seek to work collaboratively to provide community school programs; or

(D) two or more supervisory unions, each with one or more eligible schools that seek to work collaboratively to provide community school programs.

(4) “Eligible school” means a public elementary or secondary school that:

(A) has a student body where at least 40 percent of students are eligible for free or reduced-price lunch under the Richard B. Russell National School Lunch Act, 42 U.S.C. § 1751 et seq.; or

(B) has been identified for comprehensive or equity support and intervention under Section 1111 of the Elementary and Secondary Education Act of 1965, Pub. L. 89-10, as amended, or otherwise identified by the State as in need of additional support.

(5) “Site-based leadership team” means an interdisciplinary, school-based leadership team that may include the school principal, the community school coordinator, teachers, other school employees, students, families, community partners, nonprofit organizations, unions, and neighboring community residents that supports collaborative planning, implementation, and oversight of community school programs by the eligible recipient.

(b) Funding authorization. The Secretary of Education is authorized to provide annual funding for a period of three years to an eligible recipient to use as required under subsection (d) of this section.

(c) Funding administration.

(1) Subject to subdivision (2) of this subsection, the Secretary of Education shall determine, using the Agency of Education’s equity lens tool, which eligible recipients shall receive funding and the amount of funding, and the Secretary shall provide the funding on or before September 1 of each of 2021, 2022, and 2023 to recipients. The Secretary may deny or reduce second- and third-year funding if the Secretary finds that the recipient has made insufficient progress towards developing and implementing community school programs. In determining which eligible recipients shall receive funding, the Secretary shall take into account relative need, based on the extent to which community school program services are needed and the extent to which the eligible recipient seeks to offer them.

(2) In determining which eligible recipients shall receive funding and the amount of funding and to advance the principles for Vermont's trauma-informed system of care under 33 V.S.A. § 3401, the Secretary of Education shall collaborate with the Director of Trauma Prevention and Resilience Development and the Vermont Child and Family Trauma Work Group.

(3) The Agency of Education shall inform all eligible recipients of the availability of funding under this act and, for those eligible recipients most in need of this funding, shall educate these eligible recipients on community school programs and their benefits. The Agency of Education shall also advise all eligible recipients of other sources of funding that may be available to advance the purpose of this act.

(d) Use of funding.

(1) A recipient of funding under this act shall use the funding to:

(A) if a needs and assets assessment has not been conducted within the prior three years that substantially conforms with the requirements in this subdivision, then, in collaboration with the site-based leadership team, conduct a needs and assets assessment that includes:

(i) where available, and where applicable, student demographic, academic achievement, and school climate data, disaggregated by major demographic groups, including race, ethnicity, English language proficiency, students with individualized education plans, and students eligible for free or reduced-price lunch status;

(ii) access to and need for integrated student supports;

(iii) access to and need for expanded and enriched learning time and opportunities;

(iv) school funding information, including federal, State, local, and private education funding and per-pupil spending, based on actual salaries of personnel assigned to the eligible school;

(v) information on the number, qualifications, and stability of school staff, including the number and percentage of fully certified teachers and rates of teacher turnover; and

(vi) active family and community engagement information, including:

(I) family and community needs based on surveys, information from public meetings, or information gathered by other means;

(II) measures of family and community engagement in the eligible schools, including volunteering in schools, attendance at back-to-

school nights, and parent-teacher conferences;

(III) efforts to provide culturally and linguistically relevant communication between schools and families; and

(IV) access to and need for family and community engagement activities;

(B) hire a community school coordinator to, in collaboration with the site-based leadership team, develop and implement community school programs or designate a community school coordinator from existing personnel and, in collaboration with the site-based leadership team, augment work already being performed to develop and implement community school programs; and

(C) if the recipient has not fully implemented positive behavioral integrated supports under 16 V.S.A. § 2902, provide professional development to staff on positive behavioral integrated supports and implement those supports.

(2) A recipient of funding under this act may use the funding to, in collaboration with the site-based leadership team, develop and implement a plan to improve literacy outcomes and objectively assess those outcomes.

(3) If a needs and assets assessment has not been conducted under subdivision (1)(A) of this subsection within the prior three years, the first year of funding shall be used to conduct the needs and assets assessment of the school to determine what is necessary to develop community school programs and an action plan to implement community school programs. During the second and third years of the funding, the community school coordinator shall, in collaboration with the site-based leadership team, oversee the implementation of community school programs.

(e) Evaluation.

(1) At the end of each year of funding, each recipient shall undergo an evaluation designed by the Agency of Education using its equity lens tool.

(2) On or before each of December 15, 2022 and 2024, the Agency of Education shall report to the General Assembly and the Governor on the impact of the funding under this act. The report shall be made publicly available on the Agency of Education's website.

(f) Ability to operate as a community school. Any school district or school, regardless of whether it receives funding under this act, may function as a community school as defined in this section.

Sec. 4. APPROPRIATION OF FUNDS

(a) The Secretary of Education shall use \$3,399,000.00 of the amount allocated to the Agency of Education from the American Rescue Plan Act of 2021 pursuant to Section 2001(f)(1), 2021, Pub. L. No. 117-2 for the funding under this act on or before September 1 of each of 2021, 2022, and 2023 under Sec. 3 of this act.

(b) The Agency of Education may set aside:

(1) not more than one percent of the funds appropriated under subsection (a) of this section for each of fiscal years 2022, 2023, and 2024 for informational and technical assistance, such as the availability and use of funding for eligible recipients as defined under Sec. 3 of this act; and

(2) not more than two percent of the funds appropriated under subsection (a) of this section for each of fiscal years 2022, 2023, and 2024 for the evaluations required under Sec. 3 of this act.

* * * Locally Produced Foods * * *

Sec. 5. 16 V.S.A. § 1262a is amended to read:

§ 1262a. AWARD OF GRANTS

* * *

(d) The Agency shall, from funds appropriated for this subsection to the Agency, award grants to supervisory unions and supervisory districts in accordance with section 1264a of this title (locally produced foods). If the amount appropriated for this purpose is insufficient to fully fund the grants under that section, then the grant amounts that are awarded shall be prorated.

* * *

Sec. 6. 16 V.S.A. § 1264 is amended to read:

§ 1264. FOOD PROGRAM

* * *

~~(d) It is a goal of the State that by the year 2022 school boards operating a school lunch, breakfast, or summer meals program shall purchase at least 20 percent of all food for those programs from local producers. [Repealed.]~~

~~(e)(1) On or before December 31, 2020 and annually thereafter, a school board operating a school lunch, breakfast, or summer meals program shall submit to the Agency of Education an estimate of the percentage of locally produced foods that were purchased by the school board for those programs.~~

~~(2) On or before January 31, 2021 and annually thereafter, the Agency of Education shall submit to the Senate Committees on Agriculture and on Education and the House Committees on Agriculture and Forestry and on Education in an aggregated form the information received from school boards regarding the percentage of locally produced foods that are purchased as part of a school lunch, breakfast, or summer meals program. The provisions of 2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the report required by this subdivision. [Repealed.]~~

Sec. 7. 16 V.S.A. § 1264a is added to read:

§ 1264a. LOCALLY PRODUCED FOODS

(a) It is a goal of the State that by the year 2023, at least 20 percent of all foods purchased by supervisory unions and supervisory districts, together referred to in this section as “supervisory unions,” be locally produced foods. School boards have the discretion to define what foods are included within the definition of “locally produced foods” for the purposes of this subsection and subsection (b) of this section.

(b) On or before December 31, 2021 and annually thereafter, a school board operating a school lunch, breakfast, or summer meals program shall report to the Agency of Education an estimate of the percentage of the cost of all foods purchased by the school board for those programs that were locally produced foods during the one-year period ending on June 30 of that year.

(c)(1) Beginning with the 2021–22 school year and thereafter, supervisory unions shall be eligible for a local foods incentive grant (grant) from funds appropriated to the Agency of Education for this purpose.

(2) A supervisory union may apply for the grant if it has:

(A) developed a locally produced foods purchasing plan that describes the supervisory union’s goals for purchasing locally produced foods and its plan to achieve those goals;

(B) designated an individual as the food coordinator for locally produced foods who shall be responsible for implementing the locally produced foods purchasing plan;

(C) developed a process for tracking the purchase of locally produced foods; and

(D) complied with the reporting requirement under subsection (b) of this section.

(3) A supervisory union that has satisfied the conditions under subdivision (2) of this subsection may, on or before January 15, 2022 or on or

before January 15 of any year thereafter, apply to the Agency for the grant by submitting a certification, signed by the business manager for the supervisory union, that the supervisory union satisfies the conditions under subdivision (2) of this subsection.

(4) If a supervisory union is eligible for a grant under subdivision (3) of this subsection, then the Agency shall make the grant payment, subject to appropriation, on or before the following March 31 after submission of the supervisory union's application, which is due on or before January 15 of that year, which shall be equal to \$0.15 per reimbursable school lunch served by the supervisory union in the prior school year through the National School Lunch Program. A supervisory union may apply for this grant and receive this grant funding only once.

(5)(A) A supervisory union that has received a grant under subdivision (4) of this subsection (c) may, on or before January 15, 2023 or on or before January 15 of any year thereafter, apply for a further grant by submitting to the Agency of Education information that demonstrates that at least 15 percent of the cost of all foods purchased or grown, raised, or produced by the supervisory union during the one-year period ending on June 30 of the previous year were local to Vermont as defined in 9 V.S.A. § 2465a(b), excluding:

(i) foods purchased or grown, raised, or produced by the supervisory union that were used to provide catering services for which the supervisory union received compensation; and

(ii) fluid milk.

(B) If a supervisory union grows, raises, or produces food, it shall assign a fair market value to that food for the purpose of reporting its cost.

(C) A vendor that contracts with a supervisory union to supply food products shall certify to the supervisory union which of the food products supplied meet the definition of local to Vermont, taking into account the exclusions under subdivision 5(A) of this subsection (c).

(6) If a supervisory union is eligible for a grant under subdivision (5) of this subsection, the Agency shall, on or before the following April 30 after submission of the supervisory union's application, which is due on or before January 15 of that year, make the grant payment, subject to appropriation, which shall be determined as follows:

(A) \$0.15 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 15 percent locally produced foods;

(B) \$0.20 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 20 percent locally produced foods; or

(C) \$0.25 per reimbursable school lunch served in the prior school year through the National School Lunch Program for supervisory unions purchasing at least 25 percent locally produced foods.

(7) A supervisory union may apply for and receive grant funding under subdivisions (5) and (6) of this subsection for each year that it qualifies for this grant funding. For applications covering the 2020–2021 school year, meals served through the Summer Food Service Program shall also be counted for this grant payment.

(8) The Agency of Education may perform sample audits for any year that grant funds are paid to supervisory unions under subdivision (6) of this subsection to verify that information provided to the Agency under subdivision (5) of this subsection is accurate. If the Agency makes a grant payment under subdivision (6) of this subsection to a supervisory union that was based on inaccurate information reported by the supervisory union, the Agency may seek reimbursement from the supervisory union for an overpayment or reimburse the supervisory union for an underpayment or may adjust future grant amounts under this section to reflect the over- or underpayment.

(d)(1) On or before January 31, 2022 and annually thereafter, the Agency of Education shall submit to the Senate Committees on Agriculture and on Education and the House Committees on Agriculture and Forestry and on Education in an aggregated form:

(A) the information received from supervisory unions regarding the percentage of locally produced foods, as the supervisory unions define them, that were reported under subsection (b) of this section; and

(B) the percentage of locally produced foods, using the grant funding definition, that were reported under subdivision (c)(5) of this section and the amount of grant funding paid to supervisory unions under subdivision (c)(6) of this section in the prior school year.

(2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required reports shall not apply to the reports required by this subsection.

Sec. 8. AGENCY OF EDUCATION; STAFFING

The following position is created in the Agency of Education: one full-time, classified position specializing in the administration of school food programs. The position established in this section shall be transferred and

converted from an existing vacant position in the Executive Branch of State government. There is appropriated to the Agency of Education from the General Fund in fiscal year 2022 the amount of \$100,000.00 for salary, benefits, and operating expenses.

* * * Task Force on Universal School Lunch * * *

Sec. 9. TASK FORCE ON UNIVERSAL SCHOOL LUNCH; REPORT

(a) Creation. There is created the Task Force on Universal School Lunch. The Task Force shall make recommendations on how, not later than the 2026–2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students or their families.

(b) Membership. The Task Force shall be composed of the:

- (1) Secretary of Education or designee;
- (2) Secretary of Human Services or designee; and
- (3) Secretary of Agriculture or designee.

(c) Powers and duties. The Task Force shall make recommendations on how, not later than the 2026–2027 school year, to achieve the goal of providing universal school lunch for all public school students at no cost to the students or their families and shall perform the following tasks:

- (1) recommend funding sources for universal school lunch;
- (2) recommend what data should be collected by local education agencies, school districts, and schools to qualify for federal funds based on student poverty, the means by which the data should be collected, the frequency of collection, and how this data should be reported to the Agency of Education and the frequency of this reporting;
- (3) consider how other states offer and fund universal school meals at no cost to students or their families; and
- (4) meet with Vermont’s federal delegation to discuss what changes could be made to federal law and regulations to more readily facilitate universal school meals.

(d) Collaboration. In performing its duties under this section, the Task Force shall collaborate with Hunger Free Vermont, the School Nutrition Association of Vermont, the Vermont Superintendents Association, the Vermont School Boards Association, the Vermont Council of Special Education Administrators, the Vermont Principals’ Association, and the Vermont-National Education Association.

(e) Report. On or before January 15, 2022, the Task Force shall submit a written report to the House and Senate Committees on Education and on Appropriations, the House Committee on Agriculture and Forestry, and the Senate Committee on Agriculture with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Education shall call the first meeting of the Task Force to occur on or before October 10, 2021.

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

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

(4) The Task Force shall meet not more than eight times.

(5) The Task Force shall expire on January 16, 2022.

(g) Assistance. The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education.

* * * Effective Date * * *

Sec. 10. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Balint, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Education.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered on a roll call Yeas 22, Nays 6.

Senator Brock having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Hardy, Hooker, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Pearson, Pollina, Ram, Sirotkin, Starr, Westman, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Ingalls, Parent, Terenzini.

Those Senators absent and not voting were: Perchlik, Sears.

Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged

H. 122.

Senator White, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to boards and commissions.

Reported recommending that the Senate propose to the House to amend the bill by striking out Sec. 12, effective date, and its reader assistance heading in their entireties and adding eight sections to be numbered Secs. 11a through 18 with reader assistance headings to read as follows:

* * * Vermont Climate Council * * *

Sec. 11a. VERMONT CLIMATE COUNCIL; TEMPORARY PER DIEM COMPENSATION; SUNSET

Until June 30, 2022, and notwithstanding any provision of 10 V.S.A. § 591(g) or 32 V.S.A. § 1010 to the contrary, a Vermont Climate Council member or subcommittee member who is entitled to per diem compensation under 10 V.S.A. § 591(g) shall, upon request, receive per diem compensation in the amount of \$100.00, subject to the availability of funds budgeted for Council per diem compensation.

* * * State Emergency Response Commission; Regional Committees * * *

Sec. 12. 20 V.S.A. § 6 is amended to read:

§ 6. LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT

(a) Each town and city of this state is hereby authorized and directed to establish a local organization for emergency management in accordance with the state State emergency management plan and program. ~~Except in a town that has a town manager in accordance with chapter 37 of Title 24, the~~ The executive officer or legislative branch of the town or city is authorized to appoint a town or city emergency management director who shall have direct responsibility for the organization, administration, and coordination of the local organization for emergency management, subject to the direction and control of the executive officer or legislative branch. If the town or city that has not adopted the town manager form of government in accordance with chapter 37 of Title 24 and the executive officer or legislative branch of the town or city has not appointed an emergency management director, the executive officer or legislative branch shall be the town or city emergency management director. The town or city emergency management director may

appoint an emergency management coordinator and other staff as necessary to accomplish the purposes of this chapter.

~~(b) Except as provided in subsection (d) of this section, each~~ Each local organization for emergency management shall perform emergency management functions within the territorial limits of the town or city within which it is organized; and, in addition, shall conduct such functions outside of the territorial limits as may be required pursuant to the provisions of this chapter and in accord with such regulations as the governor may prescribe.

~~(c) Each local organization shall participate in the development of~~ develop and maintain an all-hazards emergency management plan ~~with the local emergency planning committee and the public safety district~~ in accordance with guidance set forth by the Division of Emergency Management.

~~(d) Each local organization shall annually notify the local emergency planning committee on forms provided by the state emergency response commission of its capacity to perform emergency functions in response to an all-hazards incident. Each local organization shall perform the emergency functions indicated on the most recently submitted form in response to an all-hazards incident. Regional emergency management committees shall be established by the Division of Emergency Management.~~

(1) Regional emergency management committees shall coordinate emergency planning and preparedness activities to improve their regions' ability to prepare for, respond to, and recover from all disasters.

(2) The Division of Emergency Management shall establish geographic boundaries and guidance documents for regional emergency planning committees in coordination with regional planning commissions and mutual aid associations.

(3) A regional emergency management committee shall consist of voting and nonvoting members.

(A) Voting members. The local emergency management director or designee and one representative from each town and city in the region shall serve as the voting members of the committee. A representative from a town or city shall be a member of the town's or city's emergency services community and shall be appointed by the town's or city's executive or legislative branch.

(B) Nonvoting members. Nonvoting members may include representatives from the following organizations serving within the region: fire departments; emergency medical services; law enforcement; media; transportation; regional planning commissions; hospitals; the Department of Health's district office; the Division of Emergency Management; organizations

servicing vulnerable populations; and any other interested public or private individual or organization.

(4) Voting members shall annually elect a chair and vice chair of the committee from the voting membership. The Chair shall develop a meeting schedule, agenda, and facilitate each meeting. The Vice Chair shall fill in for the Chair during the Chair's absence.

(5) Committees shall develop and maintain a regional plan, consistent with guidance provided by the Division of Emergency Management in coordination with regional planning commissions, that describes regional coordination and regionally available resources.

Sec. 13. 20 V.S.A. § 30 is amended to read:

§ 30. STATE EMERGENCY RESPONSE COMMISSION; CREATION

~~(a) A state emergency response commission~~ The State Emergency Response Commission is created within the ~~department~~ Department of ~~public safety~~ Public Safety. The commission shall consist of ~~15~~ 17 members, ~~six~~ eight ex officio members, including the ~~commissioner of public safety~~ Commissioner of Public Safety, the ~~secretary of natural resources~~ Secretary of Natural Resources, the ~~secretary of transportation~~ Secretary of Transportation, the ~~commissioner of health~~ Commissioner of Health, the ~~secretary of agriculture, food~~ Secretary of Agriculture, Food and Markets Markets, and the ~~commissioner of labor~~ Commissioner of Labor, the Director of Fire Safety, and the Director of Emergency Management, or their designees; and nine public members, including a representative from each of the following: local government, a the local emergency planning committee, a regional planning commission, the fire service, law enforcement, emergency medical service, a hospital, a transportation entity required under EPCRA to report chemicals to the ~~state emergency response commission~~ State Emergency Response Commission, and another entity required to report extremely hazardous substances under EPCRA. ~~The director of emergency management shall be the secretary of the commission without a vote.~~

(b) The nine public members shall be appointed by the ~~governor~~ Governor for staggered three year terms. The ~~governor~~ Governor shall appoint the chair of the commission.

(c) Members of the commission, except state employees who are not otherwise compensated as part of their employment and who attend meetings, shall be entitled to a per diem and expenses as provided in 32 V.S.A. § 1010.

Sec. 14. 20 V.S.A. § 31 is amended to read:

§ 31. STATE EMERGENCY RESPONSE COMMISSION; DUTIES

(a) The commission shall have authority to:

(1) Carry out all the requirements of a commission under the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. § § 11000-11050 (1986) (EPCRA), ~~and all hazards mitigation, response, recovery, and preparedness, as hereafter amended and other applicable federal initiatives.~~

(2) Adopt rules necessary for the implementation of EPCRA and for the reporting of hazardous chemicals or substances, including setting minimum limits on the level of hazardous chemicals to be reported.

(3) Designate and appoint local emergency planning committees.

(4) Review and comment on the development and implementation of local emergency response plans by the local emergency planning committees ~~committee~~ and provide assistance to ~~those committees that committee~~ that committee in executing ~~their~~ its duties.

(5) Review and comment on the comprehensive state State emergency operations management plan and the local emergency planning committee response plans.

(6) Meet with interested parties, which may include representatives of the carrier industry shippers, and state and local agencies, having an interest, responsibility, or expertise concerning hazardous materials.

(7) Ensure that a state State plan will go into effect when an accident occurs involving the transportation of hazardous materials. The plan shall be ~~field tested~~ exercised at least once annually and shall be coordinated with local and State emergency plans.

(8) Jointly adopt rules concerning reportable quantities of economic poison as defined in 6 V.S.A. § 911(5) with the ~~agency of agriculture, food and markets~~ Agency of Agriculture, Food and Markets. The commission may enter into contracts with governmental agencies or private organizations to carry out the duties of this section.

(9) ~~Coordinate statewide efforts and draft policies regarding planning, mitigation, preparedness, and response to all hazards events to be approved by the commissioner.~~

(10) Recommend funding for awards to be made by the ~~commissioner~~ Commissioner for planning, training, ~~special studies, citizen corps councils, community emergency response teams (CERT), medical reserve corps, and hazardous materials response teams~~ exercises, and response capabilities from

funds that are available from federal sources or through the hazardous substances fund created in section 38 of this title. The commission may create committees as necessary for other related purposes and delegate funding recommendation powers to those committees.

(b) The Department of Public Safety shall provide administrative support to the State Emergency Response Commission.

Sec. 15. 20 V.S.A. § 32 is amended to read:

§ 32. LOCAL EMERGENCY PLANNING COMMITTEES; CREATION;
DUTIES

(a) ~~Local~~ One or more local emergency planning committees shall be appointed by the ~~state emergency response commission~~ State Emergency Response Commission.

(b) ~~Local~~ All local emergency planning committees ~~should~~ shall include representatives from the following: fire departments; local and regional emergency medical services; local, county, and state law enforcement; media; transportation; regional planning commissions; hospitals; industry; the ~~national guard~~ Vermont National Guard; the ~~department~~ Department of ~~health~~ Health's district office; an animal rescue organization; and may include any other interested public or private individual or organization. Where the local emergency planning committee represents more than one region of the State, the commission shall appoint representatives that are geographically diverse.

(c) A local emergency planning committee shall perform all the following duties:

(1) Carry out all the requirements of a committee pursuant to EPCRA, including preparing a local emergency planning committee ~~response~~ plan. The plan shall be coordinated with the ~~state~~ State emergency ~~operations management~~ plan and may be expanded to address all hazards ~~and all phases of emergency management~~. identified in the State emergency management plan. At a minimum, the local emergency planning committee ~~response~~ plan shall include the following:

(A) Identifies facilities and transportation routes of extremely hazardous substances.

(B) Describes emergency response procedures, including those identified in facility plans.

(C) Designates a local emergency planning committee coordinator and facility coordinators to implement the plan.

(D) Outlines emergency notification procedures.

(E) Describes how to determine the probable affected area and population by releases of hazardous substances.

(F) Describes local emergency equipment and facilities and the persons responsible for them.

(G) Outlines evacuation plans.

(H) Provides for coordinated local training to ensure integration with the state State emergency operations management plan.

(I) Provides methods and schedules for exercising emergency response plans.

(2) Upon receipt by the committee or the committee's designated community emergency coordinator of a notification of a release of a hazardous chemical or substance, ~~insure~~ ensure that the local emergency response plan has been implemented.

(3) Consult and coordinate with the heads of local government emergency services, the emergency management director or designee, regional planning commissions, and the managers of all facilities within the ~~district~~ jurisdiction regarding the facility plan.

(4) Review and evaluate requests for funding and other resources and advise the ~~state emergency response commission~~ State Emergency Response Commission and ~~district coordinators~~ concerning disbursement of funds.

(5) Work to support the various emergency services, mutual aid systems, town governments, regional planning commissions, state agency district offices, and others in their area in conducting coordinated all-hazards emergency management activities.

Sec. 16. 20 V.S.A. § 38 is amended to read:

§ 38. SPECIAL FUNDS

~~(a)(1) There is created a radiological emergency response plan fund, into which any entity operating a nuclear reactor or storing nuclear fuel and radioactive waste in this state (referred to hereinafter as "the nuclear power plant") shall deposit the amount appropriated to support the Vermont radiological response plan for that fiscal year, adjusted by any balance in the radiological emergency response plan fund from the prior fiscal year. There shall also be deposited into the fund any monies received from any other source, public or private, that is intended to support the radiological emergency response planning process. The fund shall be managed in accordance with subchapter 5 of chapter 7 of Title 32. Any interest earned on the balance in the fund shall be retained by the fund.~~

~~(2) Expenditures from the fund shall be made by the division of emergency management, subject to an annual legislative appropriation. As part of the annual appropriations process, the division of emergency management shall present a budget for the ensuing fiscal year that anticipates the expenditures that will be made from the fund. Each fiscal year, the division of emergency management in collaboration with the state and local agencies, the management of the nuclear power plant, the selectboards of the municipalities in the emergency planning zone, the Windham regional planning commission, and any other municipality or emergency planning zone entity defined by the state as required to support the radiological emergency response plan shall develop the budget for expenditures from the radiological emergency response plan fund. State personnel with responsibility for local coordination and plan development shall be physically located in the region. The annual budget shall include only expenditures necessary to support the radiological emergency response plan.~~

~~* * *~~

~~(5) The state shall bill the nuclear power plant on a monthly basis based on the budget presented and approved by the legislature. The nuclear power plant shall have the right to audit the books and records of the fund.~~

~~(6) Upon the permanent cessation of operation of the nuclear reactor and final removal of all nuclear fuel and radioactive waste, and the removal of emergency response plan regulations and state responsibilities applicable to it by the Federal Nuclear Regulatory Commission and any other federal agency having regulatory jurisdiction, and after all outstanding debts have been paid, all monies remaining in the fund shall be repaid to the nuclear power plant, and the fund terminated.~~

~~(b) There is created a hazardous chemical and substance emergency response fund which that shall include all moneys paid to the state State pursuant to section 39 of this title. The fund shall be managed pursuant to the provisions of subchapter 5 of chapter 7 of Title 32. The fund shall be used to implement and administer this chapter, including planning, training and response activities as well as the purchase of equipment and assisting local organizations referred to in section 6 of this chapter to develop emergency response plans. Each local emergency planning committee shall receive a minimum grant of \$1,500.00, and \$4,000.00 as of July 1, 2007, annually and may petition the state emergency response commission for additional funds if needed and available an annual grant from the Commissioner of Public Safety. The annual total grant amount to be allocated to local emergency planning committees statewide shall not exceed \$52,000.00, and the Commissioner shall divide the total annual grant amount equally among the local emergency~~

planning committees. After disbursement of the ~~minimum grant amounts~~ funding and after consideration of the comments and evaluation received from the appropriate local emergency planning committee and the State Emergency Response Commission, the ~~commissioner~~ Commissioner of Public Safety at the Commissioner's discretion ~~with the approval of the emergency response commission~~ may make additional grants from the fund to any local emergency planning committee or regional emergency response commission as well as to any political subdivisions including any city, town, fire district, incorporated village and other incorporated entities in the state in accordance with rules adopted by the ~~state emergency response commission~~ State Emergency Response Commission. Unless waived by the ~~state emergency response commission~~ State Emergency Response Commission, grants shall be matched by local governments in the amount of 25 percent of the grant. The matching may be by contribution or by privately furnished funds or by in-kind services, space, or equipment ~~which~~ that would otherwise be purchased by a local emergency planning committee.

Sec. 17. 20 V.S.A. § 3a is amended to read:

§ 3a. EMERGENCY MANAGEMENT DIVISION; DUTIES; BUDGET

(a) In addition to other duties required by law, the ~~emergency management division~~ Division of Emergency Management shall:

(1) ~~Establish and define emergency planning zones and prepare and maintain a comprehensive state~~ State emergency management strategy that includes an emergency ~~operations~~ management plan, establish and define emergency planning zones and ~~prepare and maintain a radiological emergency response plan for use in those zones~~ regional emergency management committees, and prepare an all-hazards mitigation plan in cooperation with other state, regional, and local agencies ~~for use in such zones and in compliance with adopted federal standards for emergency management.~~ The strategy shall be designed to protect the lives and property, including domestic animals, of persons within this state State who might be threatened as the result of all-hazards and shall align ~~state~~ State coordination structures, capabilities, and resources into a unified and ~~multi-disciplined~~ multidisciplined all-hazards approach to incident management.

(2) ~~Design the radiological emergency response plan to protect persons and property within this state who or which might be threatened as the result of their proximity to any operating nuclear reactor. The plan shall be formulated in accordance with procedures approved by the Federal Nuclear Regulatory Commission. At a minimum, the plan shall provide for all the following:~~

- ~~(A) Monitoring radiological activity within the state.~~
- ~~(B) Emergency evacuation routes within a ten-mile radius of any operating nuclear reactor.~~
- ~~(C) Adequate notification and communications systems.~~
- ~~(D) Contingency procedures as deemed necessary in the event of an incident or accident involving an operating nuclear reactor.~~
- (3) Assist the ~~state emergency response commission~~ State Emergency Response Commission, the local emergency planning committees, the regional emergency management committees, and the municipally established local organizations referred to in section 6 of this title in carrying out their designated emergency functions, including developing, implementing, and coordinating emergency response plans.
- ~~(4) Provide administrative support to the state emergency response commission.~~

* * *

* * * Effective Dates * * *

Sec. 18. EFFECTIVE DATES

This section and Secs. 1–11a (misc. boards and commissions) shall take effect on passage, and Secs. 12–17 (emergency management commission/committees) shall take effect on July 1, 2021.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as follows:

By striking out Sec. 11a, Vermont Climate Council; temporary per diem compensation; sunset, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

Sec. 11a. [Deleted.]

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Government Operations was agreed to.

Thereupon, the recommendation of proposal of amendment of the Committee on Appropriations was agreed to.

Thereupon, third reading of the bill was ordered.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Proposal of Amendment; Third Reading Ordered

H. 135.

Senator Pollina, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to the State Ethics Commission.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. chapter 31 is amended to read:

CHAPTER 31. GOVERNMENTAL ETHICS

* * *

Subchapter 2. Disclosures

§ 1211. EXECUTIVE OFFICERS; ~~BIENNIAL~~ ANNUAL DISCLOSURE

(a) ~~Biennially~~ Annually, each Executive officer shall file with the State Ethics Commission a disclosure form that contains the following information in regard to the previous ~~calendar year~~ 12 months:

(1) Each source, but not amount, of personal income of the officer and of his or her spouse or domestic partner, and of the officer together with his or her spouse or domestic partner, that totals more than \$5,000.00, including any of the sources meeting that total described as follows:

(A) employment, including the employer or business name and address and, if self-employed, a description of the nature of the self-employment without needing to disclose any individual clients; and

(B) investments, described generally as “investment income.”

(2) Any board, commission, or other entity that is regulated by law or that receives funding from the State on which the officer served and the officer's position on that entity.

(3) Any company of which the officer or his or her spouse or domestic partner, or the officer together with his or her spouse or domestic partner, owned more than 10 percent.

(4) Any lease or contract with the State held or entered into by:

(A) the officer or his or her spouse or domestic partner; or

(B) a company of which the officer or his or her spouse or domestic partner, or the officer together with his or her spouse or domestic partner, owned more than 10 percent.

(b) In addition, if an Executive officer's spouse or domestic partner is a lobbyist, the officer shall disclose that fact and provide the name of his or her spouse or domestic partner and, if applicable, the name of his or her lobbying firm.

(c)(1) Disclosure forms shall contain the statement, "I certify that the information provided on all pages of this disclosure form is true to the best of my knowledge, information, and belief."

(2) Each Executive officer shall sign his or her disclosure form in order to certify it in accordance with this subsection.

(d)(1) An officer shall file his or her disclosure on or before January 15 of the odd-numbered each year or, if he or she is appointed after January 15, within 10 days after that appointment.

(2) An officer who filed this disclosure form as a candidate in accordance with 17 V.S.A. § 2414 in the preceding year and whose disclosure information has not changed since that filing may update that filing to indicate that there has been no change.

~~(d)~~(e) As used in this section:

(1) "Domestic partner" means an individual with whom the Executive officer has an enduring domestic relationship of a spousal nature, as long as the officer and the domestic partner:

(A) have shared a residence for at least six consecutive months;

(B) are at least 18 years of age;

(C) are not married to or considered a domestic partner of another individual;

(D) are not related by blood closer than would bar marriage under State law; and

(E) have agreed between themselves to be responsible for each other's welfare.

(2) "Lobbyist" and "lobbying firm" shall have the same meanings as in 2 V.S.A. § 261.

§ 1212. COMMISSION MEMBERS AND EXECUTIVE DIRECTOR;
~~BIENNIAL~~ ANNUAL DISCLOSURE

(a) ~~Biennially~~ Annually, each member of the Commission and the Executive Director of the Commission shall file with the Executive Director a disclosure form that meets the requirements of and contains the information that Executive officers are required to disclose under section 1211 of this subchapter.

(b) A member and the Executive Director shall file their disclosures on or before January 15 of ~~the first each year of their appointments~~ or, if the member or Executive Director is appointed after January 15, within 10 days after that appointment, ~~and shall file subsequent disclosures biennially thereafter.~~

§ 1213. DISCLOSURES; GENERALLY

(a) The Executive Director of the Commission shall prepare on behalf of the Commission any disclosure form required to be filed with it and the candidate disclosure form described in 17 V.S.A. § 2414, and shall make ~~these~~ forms to be filed with the Commission available on the Commission's website.

(b) The Executive Director shall post on the Commission's website a copy of any disclosure form the Commission receives.

Subchapter 3. State Ethics Commission

§ 1221. STATE ETHICS COMMISSION

(a) Creation. There is created within the Executive Branch an independent commission named the State Ethics Commission to accept, review, make referrals regarding, and track complaints of alleged violations of governmental conduct regulated by law, of the Department of Human Resources ~~Code of Ethics~~ Personnel Policy and Procedure Manual, and of the State's campaign finance law set forth in 17 V.S.A. chapter 61; to provide ethics training; and to issue guidance and advisory opinions regarding ethical conduct.

(b) Membership.

(1) The Commission shall be composed of the following five members:

(A) one member appointed by the Chief Justice of the Supreme Court;

(B) one member appointed by the League of Women Voters of Vermont, who shall be a member of the League;

(C) one member appointed by the Board of Directors of the Vermont Society of Certified Public Accountants, who shall be a member of the Society;

(D) one member appointed by the Board of Managers of the Vermont Bar Association, who shall be a member of the Association; and

(E) one member appointed by the Board of Directors of the SHRM (Society of Human Resource Management) Vermont Human Resource Association State Council, who shall be a member of the Association Council.

(2) The Commission shall elect the Chair of the Commission from among its membership.

(3) A member shall not:

(A) hold any office in the Legislative, Executive, or Judicial Branch of State government or otherwise be employed by the State;

(B) hold or enter into any lease or contract with the State, or have a controlling interest in a company that holds or enters into a lease or contract with the State;

(C) be a lobbyist;

(D) be a candidate for State ~~or~~, legislative, or elected judicial office;

or
(E) hold any office in a State ~~or~~, legislative, or elected judicial office candidate's committee, a political committee, or a political party.

(4) A member may be removed for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act.

(5)(A) A member shall serve a term of ~~three~~ five years and until a successor is appointed. A term shall begin on January 1 of the year of appointment and run through December 31 of the last year of the term. Terms of members shall be staggered so that ~~not all~~ no two terms expire at the same time.

(B) A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term.

(C) A member shall not serve more than two consecutive terms. A member appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of this subdivision (C).

(c) Executive Director.

(1) The Commission shall be staffed by an Executive Director who shall be appointed by and serve at the pleasure of the Commission and who shall be a part-time exempt State employee.

(2) The Executive Director shall maintain the records of the Commission and shall provide administrative support as requested by the Commission, in addition to any other duties required by this chapter.

(d) Confidentiality. The Commission and the Executive Director shall maintain the confidentiality required by this chapter.

(e) Meetings. Meetings of the Commission:

(1) shall be held at least quarterly for the purpose of the Executive Director updating the Commission on his or her work;

(2) may be called by the Chair and shall be called upon the request of any other two Commission members; and

(3) shall be conducted in accordance with 1 V.S.A. § 172.

(f) Reimbursement. Each member of the Commission shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010.

* * *

§ 1223. PROCEDURE FOR HANDLING COMPLAINTS

(a) Accepting complaints.

(1) On behalf of the Commission, the Executive Director shall accept complaints from any source regarding governmental ethics in any of the three branches of State government or of the State's campaign finance law set forth in 17 V.S.A. chapter 61.

(2) Complaints shall be in writing and shall include the identity of the complainant.

(b) Preliminary review by Executive Director. The Executive Director shall conduct a preliminary review of complaints made to the Commission in order to take action as set forth in this subsection, which shall include referring complaints to all relevant entities.

(1) Governmental conduct regulated by law.

(A) If the complaint alleges a violation of governmental conduct regulated by law, the Executive Director shall refer the complaint to the Attorney General or to the State's Attorney of jurisdiction, as appropriate.

(B) The Attorney General or State's Attorney shall file a report with the Executive Director regarding his or her decision as to whether to bring an enforcement action as a result of a complaint referred under subdivision (A) of this subdivision (1) within 10 days of that decision.

(2) Department of Human Resources, ~~Code of Ethics~~ Personnel Policy and Procedure Manual.

(A) If the complaint alleges a violation of the Department of Human Resources, ~~Code of Ethics~~ Personnel Policy and Procedure Manual, the Executive Director shall refer the complaint to the Commissioner of Human Resources.

(B) The Commissioner shall report back to the Executive Director regarding the final disposition of a complaint referred under subdivision (A) of this subdivision (2) within 10 days of that final disposition.

(3) Campaign finance.

(A) If the complaint alleges a violation of campaign finance law, the Executive Director shall refer the complaint to the Attorney General or to the State's Attorney of jurisdiction, as appropriate.

(B) The Attorney General or State's Attorney shall file a report with the Executive Director regarding his or her decision as to whether to bring an enforcement action as a result of a complaint referred under subdivision (A) of this subdivision (3) as set forth in 17 V.S.A. § 2904a.

(4) Legislative and Judicial Branches; attorneys.

(A) If the complaint is in regard to conduct committed by a State Senator, the Executive Director shall refer the complaint to the Senate Ethics Panel and shall request a report back from the Panel regarding the final disposition of the complaint.

(B) If the complaint is in regard to conduct committed by a State Representative, the Executive Director shall refer the complaint to the House Ethics Panel and shall request a report back from the Panel regarding the final disposition of the complaint.

(C) If the complaint is in regard to conduct committed by a judicial officer, the Executive Director shall refer the complaint to the Judicial Conduct Board and shall request a report back from the Board regarding the final

disposition of the complaint.

(D) If the complaint is in regard to an attorney employed by the State, the Executive Director shall refer the complaint to the Professional Responsibility Board and shall request a report back from the Board regarding the final disposition of the complaint.

(E) If any of the complaints described in subdivisions (A)–(D) of this subdivision (4) also allege that a crime has been committed, the Executive Director shall also refer the complaint to the Attorney General and the State’s Attorney of jurisdiction.

(5) Closures. The Executive Director shall close any complaint that he or she does not refer as set forth in subdivisions (1)–(4) of this subsection.

(c) Confidentiality. Complaints and related documents in the custody of the Commission shall be exempt from public inspection and copying under the Public Records Act and kept confidential.

§ 1224. COMMISSION ETHICS TRAINING

At least annually, in collaboration with the Department of Human Resources, the Commission shall make available to legislators, State officers, and State employees training on issues related to governmental ethics. The training shall include topics related to those covered in any guidance provided or advisory opinion issued under section 1225 of this subchapter.

§ 1225. EXECUTIVE DIRECTOR GUIDANCE AND ADVISORY OPINIONS

(a) Guidance.

(1) The Executive Director may ~~issue~~ provide guidance only to an ~~Executive officer or other State employee~~ a person who is or will be subject to the provisions of this chapter, upon his or her request, ~~guidance with respect to that person’s duties~~ regarding any provision of this chapter or regarding any other issue related to governmental ethics.

(2) The Executive Director may consult with members of the Commission and the Department of Human Resources in preparing this guidance.

(3) Guidance ~~issued~~ provided under this subsection shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential unless the receiving entity has publicly disclosed it.

(b) Advisory opinions.

(1) The On the written request of a person who is or will be subject to the provisions of this chapter, the Executive Director may issue an advisory opinions opinion to that person that provide provides general advice or interpretation with respect to that person's duties regarding any provision of this chapter or regarding any other issue related to governmental ethics.

(2) The Executive Director may consult with members of the Commission and the Department of Human Resources in preparing these advisory opinions.

(3) The Executive Director may seek comment from persons interested in the subject of an advisory opinion under consideration.

(4) The Executive Director shall post on the Commission's website any advisory opinions that he or she issues.

§ 1226. COMMISSION REPORTS

Annually, on or before January 15, the Commission shall report to the General Assembly regarding the following issues:

(1) Complaints. The number and a summary of the complaints made to it, separating the complaints by topic, and the disposition of those complaints, including any prosecution, enforcement action, or dismissal. This summary of complaints shall not include any personal identifying information.

(2) Guidance. The number of requests for and a summary of the guidance ~~documents~~ the Executive Director ~~issued~~ provided, separating the guidance by topic. This summary of guidance shall not include any personal identifying information.

(3) Recommendations. Any recommendations for legislative action to address State governmental ethics or provisions of campaign finance law.

Sec. 2. 2017 Acts and Resolves No. 79, Sec. 13, as amended by 2020 Acts and Resolves No. 120, Sec. A.8 is further amended to read:

Sec. 13. STATE ETHICS COMMISSION FUNDING SOURCE SURCHARGE; REPEAL

(a) Surcharge.

(1) Notwithstanding the provisions of 3 V.S.A. § 2283(c) setting forth the purpose and rate of charges collected in the Human Resource Services Internal Service Fund, in fiscal year 2018 and thereafter, a surcharge of up to 2.3 percent, but no greater than the cost of the activities of the State Ethics Commission set forth in Sec. 7 of this act, on the per-position portion of the charges authorized in 3 V.S.A. § 2283(c)(2) shall be assessed to all Executive Branch agencies, departments, and offices and shall be paid by all assessed

entities solely with State funds.

(2) The amount collected shall be accounted for within the Human Resource Services Internal Service Fund and used solely for the purposes of funding the activities of the State Ethics Commission set forth in Sec. 7 of this act.

(b) Repeal. This section shall be repealed on ~~June 30, 2021~~ July 1, 2022.

Sec. 3. IMPLEMENTATION OF STAGGERED FIVE-YEAR TERMS

In order to stagger the terms of the members of the State Ethics Commission as described in 3 V.S.A. § 1221(b)(5)(A) in Sec. 1 of this act, members shall serve five-year terms beginning on January 1, 2022, except that:

(1) Following the conclusion of the current term of the Chief Justice of the Supreme Court appointment on December 31, 2023, the subsequent Chief Justice of the Supreme Court appointment shall be for a two-year term ending on December 31, 2025.

(2) Following the conclusion of the current term of the Board of Directors of the Vermont Human Resource Association appointment on December 31, 2022, the subsequent SHRM (Society of Human Resource Management) Vermont State Council appointment shall be for a two-year term ending on December 31, 2024.

Sec. 4. CREATION OF POSITION WITHIN THE STATE ETHICS COMMISSION

The Executive Director, with the consent of the State Ethics Commission, is authorized to establish one new exempt 0.5 full-time equivalent Administrative Assistant position for the efficient administration of the Commission.

Sec. 5. EFFECTIVE DATE

This act shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Bray, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

By striking out Sec. 4, creation of position within the State Ethics Commission, in its entirety and inserting in lieu thereof the following:

Sec. 4. CREATION OF POSITION WITHIN THE STATE ETHICS COMMISSION

(a) The establishment of the following new position is authorized in fiscal year 2022, and the position shall be transferred and converted from an existing vacant position in the Executive Branch and shall not increase the total number of authorized State positions: one permanent exempt 0.5 full-time equivalent Administrative Assistant position for the efficient administration of the State Ethics Commission.

(b) The Executive Director may fill the position created in subsection (a) of this section with the consent of the State Ethics Commission.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Government Operations was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Government Operations, as amended, was agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposal of Amendment; Rules Suspended; Bill Messaged

H. 337.

Senator White, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to the printing and distribution of State publications.

Reported recommending that the Senate propose to the House to amend the bill as follows:

In Sec. 6, 22 V.S.A. § 611 (d), immediately following the words “by the State Librarian” by inserting , provided that the sale is permitted by the publishing contract before the period.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Hardy, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Government Operations.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Proposal of Amendment; Third Reading Ordered

H. 436.

Senator Cummings, for the Committee on Finance, to which was referred House bill entitled:

An act relating to miscellaneous changes to Vermont's tax laws.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: By striking out Sec. 11, 32 V.S.A. § 9706(nn), and its reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Sales and Use Tax * * *

Sec. 11. 32 V.S.A. § 9706(nn) and (oo) are added to read:

(nn) The statutory purpose of the exemption for sales of recyclable paper carryout bags in subdivision 9741(54) of this title is to lessen the cost of recyclable paper carryout bags incidental to other retail purchases made by customers in Vermont.

(oo) The statutory purpose of the exemption for feminine hygiene products in subdivision 9741(56) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

Sec. 11a. 32 V.S.A. § 9741(56) is added to read:

(56) Feminine hygiene products. As used in this subdivision, “feminine hygiene products” means tampons, panty liners, menstrual cups, sanitary napkins, and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle but does not include “grooming and hygiene products” as defined in this chapter.

Second: By striking out Sec. 17, effective dates, and its reader assistance heading in their entirety and inserting in lieu thereof the following:

* * * Education Property Tax; Yields; Nonhomestead Rate * * *

Sec. 17. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD RATE FOR FISCAL YEAR 2022

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the property dollar equivalent yield shall be \$11,202.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the income dollar equivalent yield shall be \$13,770.00.

(c) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the tax rate for nonhomestead property for fiscal year 2022 shall be \$1.628 per \$100.00 of equalized education property value.

* * * Exclusion from Excess Spending Penalty; Capital Project Costs * * *

Sec. 18. 16 V.S.A. § 4001 is amended to read:

§ 4001. DEFINITIONS

As used in this chapter:

* * *

(6) “Education spending” means the amount of the school district budget, any assessment for a joint contract school, career technical center payments made on behalf of the district under subsection 1561(b) of this title, and any amount added to pay a deficit pursuant to 24 V.S.A. § 1523(b) that is paid for by the school district, but excluding any portion of the school budget paid for from any other sources such as endowments, parental fundraising, federal funds, nongovernmental grants, or other State funds such as special education funds paid under chapter 101 of this title.

(A) [Repealed.]

(B) For purposes of calculating excess spending pursuant to 32 V.S.A. § 5401(12), “education spending” shall not include:

(i) Spending during the budget year for:

(I) approved school capital construction for a project that received preliminary approval under section 3448 of this title, including interest paid on the debt, provided the district shall not be reimbursed or otherwise receive State construction aid for the approved school capital construction; or

(II) spending on eligible school capital project costs pursuant to the State Board of Education's Rule 6134 for a project that received preliminary approval under section 3448 of this title.

(ii) For a project that received final approval for State construction aid under chapter 123 of this title:

(I) spending for approved school capital construction during the budget year that represents the district's share of the project, including interest paid on the debt; ~~and~~ or

(II) payment during the budget year of interest on funds borrowed under subdivision 563(21) of this title in anticipation of receiving State aid for the project.

(iii) Spending that is approved school capital construction spending or deposited into a reserve fund under 24 V.S.A. § 2804 to pay future approved school capital construction costs, including that portion of tuition paid to an independent school designated as the public high school of the school district pursuant to section 827 of this title for capital construction costs by the independent school that has received approval from the State Board of Education, using the processes for preliminary approval of public school construction costs pursuant to subdivision 3448(a)(2) of this title.

* * *

* * * Declining Enrollment; 3.5 Percent Hold Harmless * * *

Sec. 19. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED MEMBERSHIP

* * *

(f) For purposes of determining weighted membership under this section, a district's equalized pupils shall in no case be less than 96 and one-half percent of the actual number of equalized pupils in the district in the previous year, prior to making any adjustment under this section.

* * *

* * * Small Schools Grants * * *

Sec. 20. 16 V.S.A. § 4015 is amended to read

* * *

(f)(1) Notwithstanding anything to the contrary in this section, a school district that received a small schools grant in fiscal year 2020 shall continue to receive an annual small schools grant.

(2) Payment of the grant under this subsection shall continue annually unless explicitly repealed by the General Assembly; provided, however, that the Secretary shall discontinue payment of the grant in the fiscal year following the cessation of operations of the school that made the district eligible for the small schools grant, and further provided that if the building that houses the school that made the district eligible for the small schools grant is consolidated with another school into a renovated or new school building, then the Secretary shall continue to pay the grant during the repayment term of any bonded indebtedness incurred in connection with the consolidation-related renovation or construction.

(3) A school district that is eligible to receive an annual small schools grant under this subsection shall not also be eligible to receive a small school grant or its equivalent under subsection (b) of this section or under any other provision of law.

* * * Department of Taxes; Property Data Reports * * *

Sec. 21. COMMERCIAL PROPERTY APPRAISAL PROPOSAL

On or before January 15, 2022, the Commissioner of Taxes, in consultation with the Vermont League of Cities and Towns, shall submit a proposal, including proposed legislation, to the House Committees on Government Operations and on Ways and Means and the Senate Committees on Finance and on Government Operations that recommends ways to assist towns with appraising high-value or unique commercial properties, including property owned by utilities. In making the proposal required under this section, the Commissioner shall consider the recommendations contained in the Final Report of the Vermont Tax Structure Commission dated February 8, 2021 relating to appraisals, including the possibility of creating a State appraisal and litigation assistance program.

Sec. 22. REPORT; DEPARTMENT OF TAXES; SECONDARY RESIDENCES

On or before January 15, 2022, the Commissioner of Taxes, in consultation with the Vermont League of Cities and Towns and the Vermont Municipal Clerks' and Treasurers' Association, shall submit a report to the House

Committee on Ways and Means and the Senate Committee on Finance proposing options to collect and report data annually on the number and grand list value of secondary residences located within this State. The report required under this section shall include the following recommendations:

(1) a definition for “secondary residences” to determine the new grand list classification of properties that would be subject to data collection and reporting;

(2) a structure and an implementation plan for collecting and reporting data on secondary residences as part of the grand list, including the State entity or State and municipal entities that would conduct the data collection and reporting; and

(3) initial and on-going education and guidance for municipalities and listers.

* * * Annual Link to Federal Statutes * * *

Sec. 23. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect on ~~December 31, 2020~~ March 31, 2021, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter, and shall continue in effect as adopted until amended, repealed, or replaced by act of the General Assembly.

Sec. 24. 32 V.S.A. § 7402(8) is amended to read:

(8) “Laws of the United States” means the U.S. Internal Revenue Code of 1986, as amended through December 31, 2020, ~~which shall continue in effect as adopted until amended, repealed, or replaced by act of the General Assembly.~~ As used in this chapter, “Internal Revenue Code” has the same meaning as “laws of the United States” as defined in this subdivision. The date through which amendments to the U.S. Internal Revenue Code of 1986 are adopted under this subdivision shall continue in effect until amended, repealed, or replaced by act of the General Assembly.

Sec. 25. REPEAL; FORGIVEN PAYROLL PROTECTION PROGRAM
LOANS INCLUDED IN TAXABLE INCOME

2021 Acts and Resolves No. 9, Sec. 23c (forgiven PPP loans included in taxable income) is repealed.

* * * Tax Increment Financing Districts * * *

Sec. 26. 32 V.S.A. § 5404a(1) is amended to read:

(l) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

(1)(A) For municipalities with a district created prior to January 1, 2006 and a debt repayment schedule that anticipates retention of education increment beyond fiscal year 2016, an audit shall be conducted when approximately three-quarters of the period for retention of education increment has elapsed, and at the end of that same period, an audit shall be conducted for the final one-quarter period for retention of education increment, ~~except that for the Milton-Catamount/Husky district and the Burlington Waterfront district only a final audit shall be conducted to cover the period from the effective date of the rules pursuant to subdivision (j)(1) of this section to the end of the retention period.~~

(B) Notwithstanding subdivision (1)(A) of this subsection, the audit schedule for the Burlington Waterfront Tax Increment Financing District shall be as follows:

(i) an audit shall be conducted not less than 5 years after the effective date of the rules adopted pursuant subdivision (j)(1) of this section;

(ii) an audit shall be conducted not more than three years from the date debt is incurred as allowed by 2020 Acts and Resolves No. 175, Sec. 29 (4);

(iii) a final audit shall be conducted at the end of the retention period for the District.

* * *

* * * Effective Dates * * *

Sec. 27. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except:

(1) Sec. 1 (taxable meal facilitators) shall take effect on August 1, 2021.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 2 (alcoholic beverages) shall take effect retroactively on April 1, 2021 and apply to sales made on and after April 1, 2021.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 9–10 (current use contingent lien and subordination fee) and 11 (tax expenditure; statutory purpose) shall take effect retroactively on July 1, 2020. Secs. 9–10 shall take effect retroactively to correct an erroneous technical revision to 2019 Acts and Resolves, No. 20, Sec. 109(a).

(4) Secs. 19–20 (3.5 percent hold harmless; small schools grant) shall take effect on passage.

(5) Notwithstanding 1 V.S.A. § 214, Sec. 23 (tax year 2021 link to federal income tax statutes) shall take effect retroactively on March 31, 2021 and shall apply to taxable years beginning on and after January 1, 2021.

(6) Notwithstanding 1 V.S.A. § 214, Sec. 24 (tax year 2020 link to federal estate tax statutes) shall take effect retroactively on January 1, 2021 and shall apply to taxable years beginning on and after January 1, 2020.

(7) Notwithstanding 1 V.S.A. § 214, Sec. 25 (repeal; forgiven PPP loans included in taxable income) shall take effect retroactively on January 1, 2021.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as follows:

By striking out Sec. 11a, 32 V.S.A. § 9741(56), in its entirety and inserting in lieu thereof a new Sec. 11a to read as follows:

Sec. 11a. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title-;

* * *

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-standing containers, or sold as part of a transaction where a free-standing container is exchanged without a separate charge. Wood pellets sold to an

individual on the vendor's premises or delivered to an individual's residence shall be presumed to be purchased for residential use and shall be exempt sales under this subdivision unless the vendor knew or ought reasonably to have known that the wood pellets were not purchased for residential use. A certificate of exemption shall not be required for exempt retail sales of wood pellets to an individual. The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use.

* * *

(56) Feminine hygiene products. As used in this subdivision, "feminine hygiene products" means tampons, panty liners, menstrual cups, sanitary napkins, and other similar tangible personal property designed for feminine hygiene in connection with the human menstrual cycle but does not include "grooming and hygiene products" as defined in this chapter.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposals of amendment of the Committee on Finance were collectively agreed to.

Thereupon, the recommendation of proposal of amendment of the Committee on Appropriation was agreed to.

Thereupon, third reading of the bill was ordered.

**House Proposal of Amendment to Senate Proposal of Amendment
Concurred In with Amendment; Rules Suspended; Bil Messaged**

H. 171.

House proposal of amendment to Senate Proposal of amendment to House bill entitled:

An act relating to the governance and financing of Vermont's child care system.

Was taken up.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

First: By striking out Sec. 10, recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant, in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. RECOMMENDATIONS; AMERICAN RESCUE PLAN ACT OF 2021; CHILD CARE DEVELOPMENT BLOCK GRANT; CHILD CARE STABILIZATION GRANTS

(a) On or before September 1, 2021, the Department for Children and Families, in consultation with stakeholders that include individuals who are Black, Indigenous, and Persons of Color, shall submit a plan on the proposed use of the Child Care Development Block Grant and the Child Care Stabilization Grants, in excess of monies specifically allocated from the Child Care Stabilization Grants in fiscal year 2022 for the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, for review and acceptance by the Joint Fiscal Committee at their September 2021 meeting. The plan shall concurrently be provided to the Chairs of the House Committee on Human Services and of the Senate Committee on Health and Welfare for input prior to action by the Joint Fiscal Committee. To the extent permissible, the plan shall consider the following priorities but need not be limited to consideration of the listed priorities:

(1) funding necessary to ensure that the co-payment for a family participating in the Child Care Financial Assistance Program shall not exceed 10 percent of a family's annual gross income;

(2) expansion of the Child Care Financial Assistance Program to families whose incomes are up to 400 percent of the current federal poverty level;

(3) increased access to high-quality infant care;

(4) access to high-quality, affordable child care for culturally and racially diverse families;

(5) support and assistance to stabilize regulated, privately operated center-based child care programs and family child care homes;

(6) the identification of any statutory or regulatory barriers to using the ARPA funds to address the immediate and future child care needs of Vermonters; and

(7) the fiscal impact of the pandemic on Head Start programs statewide.

(b) If ARPA funds are not available to implement the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, the plan required pursuant to subsection (a) of this section shall include an offset to State funds to cover the child care workforce support programs.

Second: In Sec. 16, effective dates, by striking out subsection (a) in its entirety and inserting in lieu thereof a new subsection (a) to read as follows:

(a) This section and Sec. 10 (recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant; Child Care Stabilization Grants) shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Lyons, Hardy, Cummings, Hooker and Terenzini moved that the Senate concur in the House proposal of amendment with an amendment by striking out Sec. 10, recommendations; American Rescue Plan Act of 2021; Child Care Development Block Grant; Child Care Stabilization Grants, in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. RECOMMENDATIONS; AMERICAN RESCUE PLAN ACT OF 2021; CHILD CARE DEVELOPMENT BLOCK GRANT; CHILD CARE STABILIZATION GRANTS

(a) On or before September 1, 2021, the Department for Children and Families, in consultation with stakeholders that include individuals who are Black, Indigenous, and Persons of Color, shall submit a plan on the proposed use of the Child Care Development Block Grant and the Child Care Stabilization Grants, in excess of monies specifically allocated from the Child Care Development Block Grant in fiscal year 2022 for the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2, for review and acceptance by the Joint Fiscal Committee at their September 2021 meeting. The plan shall concurrently be provided to the Chairs of the House Committee on Human Services and of the Senate Committee on Health and Welfare for input prior to action by the Joint Fiscal Committee. To the extent permissible, the plan shall consider the following priorities but need not be limited to consideration of the listed priorities:

(1) funding necessary to ensure that the co-payment for a family participating in the Child Care Financial Assistance Program shall not exceed 10 percent of a family's annual gross income;

(2) expansion of the Child Care Financial Assistance Program to families whose incomes are up to 400 percent of the current federal poverty level;

(3) increased access to high-quality infant care;

(4) access to high-quality, affordable child care for culturally and racially diverse families;

(5) support and assistance to stabilize regulated, privately operated center-based child care programs and family child care homes;

(6) the identification of any statutory or regulatory barriers to using the ARPA funds to address the immediate and future child care needs of Vermonters; and

(7) the fiscal impact of the pandemic on Head Start programs statewide.

(b) If Child Care Development Block Grant funds, received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA), Pub. L. No. 117-2 are not available to implement the child care workforce support programs established in 33 V.S.A. chapter 35, subchapter 5, the plan required pursuant to subsection (a) of this section shall include a proposal for consideration as part of the fiscal year 2022 budget adjustment process to utilize State funds or alternative federal funds to cover the child care workforce support programs.

Which was agreed to.

Thereupon, on motion of Senator Balint, the rules were suspended, and the bill was ordered messaged to the House forthwith.

Committee of Conference Appointed

H. 360.

An act relating to accelerated community broadband deployment.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Cummings
Senator Pearson
Senator Brock

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

Committee of Conference Appointed

H. 433.

An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

Was taken up. Pursuant to the request of the House, the President announced the appointment of

Senator Mazza
Senator Perchlik
Senator Chittenden

as members of the Committee of Conference on the part of the Senate to consider the disagreeing votes of the two Houses.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Reps. Birong and others,

H.C.R. 64.

House concurrent resolution honoring former Counseling Service of Addison County Medical Director Dr. Robert C. Jimerson.

By Reps. Conlon and others,

H.C.R. 65.

House concurrent resolution honoring Anne Severy for her exemplary career as a public-school music educator.

By Reps. Coffey and others,

H.C.R. 66.

House concurrent resolution honoring the memory of Vermont African American pioneer Lucy Terry Prince on the bicentennial of her death.

By Reps. Morrissey and others,

By Senators Champion and Sears,

H.C.R. 67.

House concurrent resolution commemorating the 250th anniversary of the Breakenridge Stand-off in North Bennington.

By Rep. Rosenquist,

H.C.R. 68.

House concurrent resolution in memory of Edwin Ora Brehaut of Georgia.

Message from the House No. 72

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 3. An act relating to competency to stand trial and insanity as a defense.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to the following House bill:

H. 420. An act relating to miscellaneous agricultural subjects.

And has severally concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 64. House concurrent resolution honoring former Counseling Service of Addison County Medical Director Dr. Robert C. Jimerson.

H.C.R. 65. House concurrent resolution honoring Anne Severy for her exemplary career as a public-school music educator.

H.C.R. 66. House concurrent resolution honoring the memory of Vermont African American pioneer Lucy Terry Prince on the bicentennial of her death.

H.C.R. 67. House concurrent resolution commemorating the 250th anniversary of the Breakenridge Stand-off in North Bennington.

H.C.R. 68. House concurrent resolution in memory of Edwin Ora Brehaut of Georgia.

In the adoption of which the concurrence of the Senate is requested.

Adjournment

On motion of Senator Balint, the Senate adjourned, to reconvene on Tuesday, May 18, 2021, at ten o'clock in the forenoon pursuant to J.R.S. 28.

TUESDAY, MAY 18, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Pledge of Allegiance

The President then led the members of the Senate in the pledge of allegiance.

Message from the House No. 73

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 47. An act relating to motor vehicle manufacturers, dealers, and warranty or service facilities.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill of the following title:

H. 426. An act relating to addressing the needs and conditions of public school facilities in the State.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

The House has considered joint resolution originating in the House of the following title:

J.R.H. 2. Joint resolution sincerely apologizing and expressing sorrow and regret to all individual Vermonters and their families and descendants who were harmed as a result of State-sanctioned eugenics policies and practices.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Bill Referred to Committee on Appropriations

H. 157.

House bill of the following title, appearing on the Calendar for notice and carrying an appropriation or requiring the expenditure of funds, under the rule was referred to the Committee on Appropriations:

An act relating to registration of construction contractors.

Joint Resolution Referred

Pursuant to Temporary Rule 44A the following joint resolution having failed to meet cross-over and being released by the Committee on Rules was referred to its respective committee of jurisdiction:

J.R.H. 6

Joint resolution relating to racism as a public health emergency.

To the Committee on Health and Welfare.

Senate Resolution Referred**S.R. 10.**

Senate resolution of the following title was offered, read the first time and is as follows:

Senate resolution condemning anti-Asian and anti-Pacific Islander hate in the United States and recognizing May 2021 as Asian American, Native Hawaiian, and Pacific Islander Heritage Month in Vermont.

Whereas, Americans of Asian descent, including Native Hawaiians and Pacific Islanders, have made noteworthy contributions to our society, and

Whereas, their roles during the COVID-19 pandemic as first responders, health care providers, and medical scientists have been vital, and

Whereas, despite the historic election of Kamala Harris as our nation's first Vice President of South Asian heritage, the presence of hateful attitudes towards Asian Americans attracted national attention with the recent violent deaths of six Asian women in the Atlanta area, and

Whereas, the Stop AAPI Hate Reporting Center reported 6,603 incidents of hatred directed at Asian Americans from March 19, 2020 through March 31, 2021, with the number of these incidents having "increased significantly . . . during March 2021," and

Whereas, 12.6 percent of the reported hate incidents were categorized as physical assaults, including attacks against the elderly, and 65.2 percent were classified as verbal harassment, and

Whereas, in August 2020, several United Nations anti-discrimination groups issued a joint document reporting that "[r]acially motivated violence and other incidents against Asian-Americans have reached an alarming level across the United States since the outbreak of COVID-19," and

Whereas, on April 29, 2021, the United States Senate, by unanimous consent, passed Senate Resolution 200 "condemning recent hate crimes committed against Asian American and Pacific Islanders," which called on federal and state officials to "expeditiously and vigorously investigate all reports of" hate crimes against Asian Americans and Pacific Islanders and to hold the perpetrators of these crimes accountable, and

Whereas, now is an important moment to recognize, as has President Biden in a recent presidential proclamation, the importance of Asian Americans to our nation's strength and to its rich cultural diversity, *now therefore be it*

Resolved by the Senate:

That the Senate of the State of Vermont condemns anti-Asian and anti-Pacific Islander hate in the United States and recognizes May 2021 as Asian American, Native Hawaiian, and Pacific Islander Heritage Month in Vermont, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to the Asian Pacific Islander Desi Americans of Vermont and to the Vermont Congressional Delegation.

Thereupon, the President, in her discretion, treated the joint resolution as a bill and referred it to the Committee on Economic Development, Housing and General Affairs.

**House Proposal of Amendment to Senate Proposal of Amendment
Concurred In**

H. 438.

House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to capital construction and State bonding.

Were taken up.

The House concurs in the Senate proposal of amendment with further amendments thereto as follows:

First: In Sec. 4, Commerce and Community Development, by striking out the newly relettered subsection (c) in its entirety and inserting in lieu thereof the following:

(c) For the amount appropriation in subdivision (a)(2) of this section, not more than \$10,000.00 shall be used as follows:

(1) to open two new underwater preserves at the Potash Point Canalboat site and the Pine Street Barge Canal Breakwater Graveyard site; and

(2) to prepare documentation for the Isle La Motte Wreck site and the Providence Island Wreck site.

Second: By adding a Sec. 21a to read as follows:

Sec. 21a. 13 BALDWIN STREET; SALE OF PROPERTY

The Commissioner of Buildings and General Services is authorized to sell the property located at 13 Baldwin Street in Montpelier, Vermont pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

Third: In Sec. 22, 2018 Acts and Resolves No. 84, Sec. 2(c)(12), by inserting “(Office of Legislative Information Technology)” after “(Agency of Digital Services)”

Fourth: By inserting after the newly renumbered Sec. 25, Federal Funds; Capital Projects, a Sec. 25a to read as follows:

Sec. 25a. USE OF FEDERAL FUNDS; WATER AND SEWER
INFRASTRUCTURE; FY 2022

In FY 2022, if the Commissioner of Finance and Management offsets any capital funds appropriated in this act for water and sewer infrastructure projects with federal funds from the American Rescue Plan Act pursuant to the process set forth in the FY 2022 Appropriations Act, then any offset amounts shall be reused for future capital construction projects in the fiscal years 2022–2023 capital budget adjustment process.

Fifth: By striking out all after the newly renumbered Sec. 29, 24 V.S.A. § 4764, and inserting in lieu thereof the following:

Sec. 30. MORATORIUM ON LAKE ENCROACHMENT PERMITS FOR
SINKING OF VESSEL

Notwithstanding the authority of the Department of Environmental Conservation (Department) under 29 V.S.A. chapter 11 to authorize encroachments on lakes and ponds and lands lying thereunder, the Department shall not issue a lake encroachment permit for the intentional sinking of a vessel in any lake or pond within the jurisdiction of the Department during the period beginning on the effective date of this act and ending on July 1, 2024.

* * * Legislative Branch * * *

Sec. 31. 2020 Acts and Resolves No. 154, E. 126.3 is amended to read:

Sec. E.126.3 GENERAL ASSEMBLY; STATE BUILDINGS; USE OF
SPACE; AUTHORITY OF SERGEANT AT ARMS; 2021–
22 LEGISLATIVE BIENNIUM

(a) Notwithstanding the provisions of 29 V.S.A. § 165 and any other provision of law to the contrary, in order to perform its constitutional duties, the Legislative Branch shall have exclusive use of alternative locations during the 2021–22 legislative biennium, including the following:

(1) 133 State Street:

(A) Basement: ~~stock room and rooms 012, 016, 015, and 021, and 022.~~

(B) First Floor: rooms 121, ~~122,~~ and 126.

(C) Fourth Floor: board room.

~~(D) Fifth Floor: entire floor.~~

(2) 109 State Street:

(A) Basement: rooms B07 and B015 and surrounding space;

(B) Second floor: rooms 264, 267, 268, and 270.

(C) Fourth floor: conference room.

(3) 111 State Street: library stacks room on the second floor.

(b) Notwithstanding the provisions of 29 V.S.A. § 165 and any other provision of law to the contrary, in order to perform its constitutional duties, beginning July 1, 2021, the Legislative Branch shall have the exclusive use of the following space:

(1) 2 Aiken Street: entire building.

(2) 4 Aiken Street: entire building.

(3) 133 State Street:

(A) Basement: rooms 015 and 022.

(B) First Floor: rooms 122 and 125.

(c) The Sergeant at Arms and the Commissioner of Buildings and General Services shall consider ways to address any disruption to the functionality of the Executive and Legislative Branches in shared State building space.

(e)(d) The authority of the Sergeant at Arms set forth in 2 V.S.A. chapter 62 shall apply in any rooms or spaces occupied by the Legislative Branch.

Sec. 32. LEGISLATIVE ADVISORY COMMITTEE ON THE STATE
HOUSE; STATE HOUSE LEGISLATIVE SPACE AND DESIGN;
REPORT

(a)(1) The Legislative Advisory Committee on the State House shall review and make recommendations on any space and design proposals for the State House. The review shall take into account the Freeman, French, and Freeman, Legislative Space Study, 2021–2022, dated April 26, 2021. Prior to making any recommendations, the Committee shall consult with legislators, legislative staff, and relevant stakeholders on space needs.

(2) The Committee shall have the assistance of a planning architect from the Department of Buildings and General Services.

(b) On or before August 15, 2021, the Committee shall submit a report with its recommendations to the Joint Legislative Management Committee, the Joint Rules Committee, the House Committee on Corrections and Institutions, and the Senate Committee on Institutions.

Sec. 33. 2 V.S.A. § 651 is amended to read:

§ 651. LEGISLATIVE ADVISORY COMMITTEE ON THE STATE HOUSE

(a) The Legislative Advisory Committee on the State House is created.

(b) The Committee shall be composed of ~~11~~ 13 members:

(1) ~~three~~ four members of the House of Representatives, appointed biennially by the Speaker of the House;

(2) ~~three~~ four members of the Senate, appointed biennially by the Committee on Committees;

(3) the Chair of the Board of Trustees of the Friends of the Vermont State House;

(4) the Director of the Vermont Historical Society;

(5) the Director of the Vermont Council on the Arts;

(6) the Commissioner of Buildings and General Services; and

(7) the Sergeant at Arms.

(c) The Committee shall biennially elect a chair from among its legislative members. A quorum shall consist of ~~six~~ seven members.

* * *

* * * Public Safety * * *

Sec. 34. WILLISTON PUBLIC SAFETY BARRACKS; SALE

The Commissioner of Buildings and General Services is authorized to sell the property known as the Williston Public Safety Barracks (State Office Building) located at 2777 St. George Road in Williston, Vermont pursuant to the requirements of 29 V.S.A. § 166. The proceeds from the sale shall be appropriated to future capital construction projects.

* * * Effective Date * * *

Sec. 35. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Bills Passed in Concurrence with Proposals of Amendment

House bills of the following titles were severally read the third time and passed in concurrence with proposals of amendment:

H. 88. An act relating to certification of agricultural use for purposes of the use value appraisal program.

H. 106. An act relating to equitable access to a high-quality education through community schools.

H. 135. An act relating to the State Ethics Commission.

H. 436. An act relating to miscellaneous changes to Vermont's tax laws.

Proposal of Amendment; Third Reading Ordered

H. 431.

Senator Pearson, for the Committee on Finance, to which was referred House bill entitled:

An act relating to miscellaneous energy subjects.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Occupational Safety and Health * * *

Sec. 1. 30 V.S.A. § 207 is amended to read:

§ 207. REPORT OF ACCIDENTS; INVESTIGATION

The superintendent or manager of any line or plant, subject to supervision under this chapter, shall, immediately after its occurrence, notify the Department in writing of any accident that occurs within this State ~~immediately after its occurrence~~, upon such line or plant ~~resulting that results~~ in loss of life or injury to any person that ~~shall incapacitate~~ incapacitates him or her from engaging in his or her usual vocations. ~~The~~ If the accident is subject to investigation by VOSHA pursuant to 21 V.S.A. chapter 3, subchapters 4 and 5, the Department shall provide support as requested by VOSHA, and VOSHA shall, to the extent permitted by law, provide the Department with any information pertaining to the investigation that is requested by the Department. ~~If the accident it not subject to investigation by VOSHA, the~~ Department shall inquire into the cause of ~~every such~~ the accident, and ~~if, in its judgment, a public investigation is necessary, it shall fix~~

~~a time and place of holding the same, and shall thereupon proceed as provided in 5 V.S.A. § 3454 relating to investigation of accidents upon railroads shall make any recommendations to the company and to the Public Utility Commission as appropriate.~~

* * * Public Records Act * * *

Sec. 2. 1 V.S.A. § 317 is amended to read:

§ 317. DEFINITIONS; PUBLIC AGENCY; PUBLIC RECORDS AND DOCUMENTS; EXEMPTIONS

* * *

(c) The following public records are exempt from public inspection and copying:

* * *

(43) Records relating to a regulated utility's cybersecurity program, assessments, and plans, including all reports, summaries, compilations, analyses, notes, or other cybersecurity information.

* * *

* * * Energy Storage * * *

Sec. 3. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

~~As used in~~ As used in this chapter:

* * *

(3)(A) "Development" means each of the following:

* * *

(D) The word "development" does not include:

* * *

(ii) The construction of improvements for an electric generation, energy storage, or transmission facility that requires a certificate of public good under 30 V.S.A. § 248, or is subject to regulation under 30 V.S.A. § 8011, a natural gas facility as defined in 30 V.S.A. § 248(a)(3), or a telecommunications facility issued a certificate of public good under 30 V.S.A. § 248a.

* * *

Sec. 4. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

* * *

(b) A bylaw under this chapter shall not regulate ~~public utility power generating plants~~ electric generation facilities, energy storage facilities, and transmission facilities regulated under 30 V.S.A. § 248 or subject to regulation under 30 V.S.A. § 8011.

* * *

Sec. 5. 30 V.S.A. § 201 is amended to read:

§ 201. DEFINITIONS

As used in this chapter:

* * *

(4) “Energy storage facility” means a stationary device or system that captures energy produced at one time, stores that energy for a period of time, and delivers or may deliver that energy as electricity to the grid for use at a future time ~~uses mechanical, chemical, or thermal processes to store energy for export to the grid.~~

(5) “Energy storage aggregation” means a virtual resource formed by combining multiple stationary energy storage devices at different points of interconnection on the distribution system.

(6) “Energy storage aggregator” means an entity other than a distribution utility that is operating an energy storage aggregation of 100 kW or greater aggregate nameplate capacity.

Sec. 6. 30 V.S.A. § 203 is amended to read:

§ 203. JURISDICTION OF CERTAIN PUBLIC UTILITIES

* * *

(1) A company engaged in the manufacture, transmission, distribution, storage, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to their use or occupancy of the public highways.

(2) That part of the business of a company that consists of the manufacture, transmission, distribution, storage, or sale of gas or electricity directly to the public or to be used ultimately by the public for lighting, heating, or power and so far as relates to their use or occupancy of the public highways.

* * *

(8) For purposes of this section, “storage” has the same meaning as “energy storage facility” as defined in section 201 of this title.

Sec. 7. 30 V.S.A. § 209 is amended to read:

§ 209. JURISDICTION; GENERAL SCOPE

* * *

(k) Energy storage facilities. Except when owned by a retail distribution utility, an energy efficiency utility, or the Vermont Electric Power Company, Inc., competitive suppliers of energy storage services that do not serve retail customers shall be exempt from sections 107, 108, and 109 of this title.

Sec. 8. 30 V.S.A. § 231 is amended to read:

§ 231. CERTIFICATE OF PUBLIC GOOD; ABANDONMENT OF SERVICE; HEARING

* * *

(c) An energy storage aggregator that operates an energy storage facility is subject to this section only if the aggregator is not a retail electric provider.

Sec. 9. 30 V.S.A. § 248 is amended to read:

§ 248. NEW GAS AND ELECTRIC PURCHASES, INVESTMENTS, AND FACILITIES; CERTIFICATE OF PUBLIC GOOD

(a)(1) No company, as defined in section 201 of this title, may:

* * *

(4)(A) With respect to a facility located in the State, in response to a request from one or more members of the public or a party, the Public Utility Commission shall hold a nonevidentiary public hearing on a petition for such finding and certificate in at least one county in which any portion of the construction of the facility is proposed to be located. The Commission in its discretion may hold a nonevidentiary public hearing in the absence of any request from a member of the public or a party. From the comments made at a public hearing, the Commission shall derive areas of inquiry that are relevant to the findings to be made under this section and shall address each such area in its decision. Prior to making findings, if the record does not contain evidence on such an area, the Commission shall direct the parties to provide evidence on the area. This subdivision does not require the Commission to respond to each individual comment.

* * *

(F) The following shall apply to the participation of the Agency of Agriculture, Food and Markets in proceedings held under this subsection:

(i) In any proceeding regarding an electric generation facility that will have a capacity greater than 500 kilowatts or an energy storage facility that will have a capacity greater than 1 megawatt and will be sited on a tract containing primary agricultural soils as defined in 10 V.S.A. § 6001, the Agency shall appear as a party and provide evidence and recommendations concerning any findings to be made under subdivision (b)(5) of this section on those soils, and may provide evidence and recommendations concerning any other matters to be determined by the Commission in such a proceeding.

* * *

(J) This subdivision (J) applies to an application for an electric generation facility with a capacity that is greater than 50 kilowatts and to an application for an energy storage facility that is greater than 1 megawatt, unless the facility is located on a new or existing structure the primary purpose of which is not the generation of electricity. In addition to any other information required by the Commission, the application for such a facility shall include information that delineates:

* * *

(k)(1) Notwithstanding any other provisions of this section, the Commission may waive, for a specified and limited time, the prohibitions contained in this section upon site preparation for or construction of an electric transmission facility, ~~or a generation facility,~~ or an energy storage facility as necessary to ensure the stability or reliability of the electric system or a natural gas facility, pending full review under this section.

* * *

(l) Notwithstanding other provisions of this section, and without limiting any existing authority of the Governor, and pursuant to 20 V.S.A. § 9(10) and (11), when the Governor has proclaimed a state of emergency pursuant to 20 V.S.A. § 9, the Governor, in consultation with the Chair of the Public Utility Commission and the Commissioner of Public Service or their designees, may waive the prohibitions contained in this section upon site preparation for or construction of an electric transmission facility, ~~or a generation facility,~~ or an energy storage facility as necessary to ensure the stability or reliability of the electric system or a natural gas facility. Waivers issued under this subsection shall be subject to such conditions as are required by the Governor, and shall be valid for the duration of the declared emergency plus 180 days, or such lesser overall term as determined by the Governor. Upon the expiration of a waiver under this subsection, if a certificate of public

good has not been issued under this section, the Commission shall require the removal, relocation, or alteration of the facilities, subject to the waiver, as the Commission finds will best promote the general good of the State.

* * *

(u) For an energy storage facility, A a certificate under this section shall only be required for an energy storage a stationary facility exporting to the grid that has a capacity of 500 100 kW or greater, unless the Commission establishes a larger threshold by rule. The Commission shall establish a simplified application process for energy storage facilities subject to this section with a capacity of up to 1 MW, unless it establishes a larger threshold by rule. For facilities eligible for this simplified application process, a certificate of public good will be issued by the Commission by the forty-sixth day following filing of a complete application, unless a substantive objection is timely filed with the Commission or the Commission itself raises an issue. The Commission may require facilities eligible for the simplified application process to include a letter from the interconnecting utility indicating the absence or resolution of interconnection issues as part of the application.

Sec. 10. 30 V.S.A. § 8002 is amended to read:

§ 8002. DEFINITIONS

As used in this chapter:

* * *

(30) “Energy storage facility” has the same meaning as in section 201 of this title.

Sec. 11. 30 V.S.A. § 8011 is added to read:

§ 8011. ENERGY STORAGE FACILITIES

(a) The Commission may adopt and implement rules that govern the installation and operation of energy storage facilities of all sizes.

(b) The rules may establish a size threshold below which storage facilities need not submit an application for a certificate of public good pursuant to section 248 of this title.

(c) The rules may include provisions that govern:

(1) the respective duties of retail electricity providers and energy storage facility owners or operators;

(2) the electrical and fire safety, power quality, interconnection, metering, and decommissioning of energy storage facilities;

(3) the resolution of disputes between energy storage facility owners, operators, and the interconnecting provider;

(4) energy storage aggregators and the operation of aggregations; and

(5) energy storage facilities paired with other resources, such as net metering and standard offer plants, including retrofits of existing plants.

(d) The rules shall establish standards and procedures governing application for and issuance or revocation of a certificate of public good for certain energy storage facilities under the provisions of section 248 of this title. In establishing these standards and procedures, the rules may:

(1) waive the requirements of section 248 of this title that are not applicable to energy storage facilities, including criteria that are generally applicable to public service companies as defined in this title;

(2) modify notice and hearing requirements of this title as the Commission considers appropriate; and

(3) seek to simplify the application and review process.

Sec. 12. PUBLIC UTILITY COMMISSION RULEMAKING;
INTERCONNECTION RULE

On or before March 15, 2022, the Public Utility Commission shall propose an updated interconnection rule that:

(1) incorporates energy storage facilities with a capacity of 1 MW or more; and

(2) incorporates a simplified process for energy storage facilities with a capacity of between 100 kW and 1 MW.

* * * Nuclear Decommissioning Citizens Advisory Panel * * *

Sec. 13. 18 V.S.A. § 1700 is amended to read:

§ 1700. CREATION; MEMBERSHIP; OFFICERS; QUORUM

(a) There is created the Nuclear Decommissioning Citizens Advisory Panel that shall consist of the following:

(1) The Secretary of Human Services, ex officio, or designee.

(2) The Secretary of Natural Resources, ex officio, or designee.

(3) The Commissioner of Public Service, ex officio, or designee.

(4) The Secretary of Commerce and Community Development, ex officio, or designee.

(5) One member of the House Committee on Energy and Technology, chosen by the Speaker of the House.

(6) One member of the Senate Committee on Natural Resources and Energy, chosen by the Committee on Committees.

(7) One representative of the Windham Regional Commission or designee, selected by the Regional Commission.

(8) ~~One representative~~ Two representatives of the Town of Vernon or designee designees, selected by the legislative body of that town.

(9) Six members of the public, two each selected by the Governor, the Speaker of the House, and the President Pro Tempore of the Senate. Under this subdivision, each appointing authority initially shall appoint a member for a three-year term and a member for a four-year term. Subsequent appointments under this subdivision shall be for terms of four years.

(10) Two representatives of the owners of the Vermont Yankee Nuclear Power Station (VYNPS or Station) selected by the owner of the Station site.

(11) ~~A representative of the International Brotherhood of Electric Workers (IBEW) selected by the IBEW who shall be a present or former employee at the VYNPS.~~

(12) One optional member who will represent collectively the Towns of Chesterfield, Hinsdale, Richmond, Swanzey, and Winchester, New Hampshire, when selected by the Governor of New Hampshire at the invitation of the Commissioner of Public Service.

(13)(12) One optional member who will represent collectively the Towns of Bernardston, Colrain, Gill, Greenfield, Leyden, Northfield, and Warwick, Massachusetts, when selected by the Governor of Massachusetts at the invitation of the Commissioner of Public Service.

(b) Ex officio members shall serve for the duration of their time in office or until a successor has been appointed. Members of the General Assembly shall be appointed for two years or until their successors are appointed, beginning on or before January 15 in the first year of the biennium. Representatives designated by ex officio members shall serve at the direction of the designating authority.

* * *

(f) Members of the panel who are not ex officio members, employees of the State of Vermont, representatives of the VYNPS owners of the Vermont Yankee site, or members representing towns outside Vermont, and who are not otherwise compensated or reimbursed for their attendance, shall be entitled to

\$50.00 per diem and their necessary and actual expenses. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service. Legislative members shall not be entitled to a per diem under this section for meetings while the General Assembly is in session.

(g) The Commissioner of Public Service shall:

* * *

(6) hire experts, contract for services, and provide for materials and other reasonable and necessary expenses of the Panel as the Commissioner may consider appropriate on request of the Panel from time to time. Funds for this purpose shall come from the monies collected under 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and such other sources as may be or become available. owners of the Vermont Yankee site as the Commissioner of Public Service may consider appropriate, not to exceed \$35,000.00 annually. The obligation to support the Panel's activities shall cease upon the submission of the application for Partial License Termination by the owners of the Vermont Yankee site to the U.S. Nuclear Regulatory Commission. On or before June 30 annually, the Commissioner of Public Service shall render to the owners of the Vermont Yankee site a statement detailing the amount of money expended or contracted for under this subdivision (6), which shall be paid within 30 days by the owners of the Vermont Yankee site into the special fund established pursuant to 30 V.S.A. § 22 for the purpose of maintaining the Department of Public Service and Public Utility Commission. The funds paid into the special fund by the owners of the Vermont Yankee site shall be paid solely to the Department. Within 30 days after receiving the statement of funds due, the owners of the Vermont Yankee site may petition the Public Utility Commission for a hearing to review and determine the necessity and reasonableness of such expenses. Following the review, the Public Utility Commission may amend or revise the cost assessments as it deems appropriate.

Sec. 14. 18 V.S.A. § 1701 is amended to read:

§ 1701. DUTIES

The Panel shall serve in an advisory capacity only and shall not have authority to direct decommissioning of the ~~VYNPS~~ Vermont Yankee site. The duties of the Panel shall be:

(1) To hold a minimum of ~~four~~ three public meetings each year for the purpose of discussing issues relating to the decommissioning of ~~the VYNPS~~ Vermont Yankee. The Panel may hold additional meetings.

(2) To advise the Governor, the General Assembly, the agencies of the State, and the public on issues related to the decommissioning of the ~~VYNPS Vermont Yankee~~, with a written report being provided annually to the Governor and to the energy committees of the General Assembly. The provisions of 2 V.S.A. § 20(d) (expiration of reports) shall not apply to this report.

(3) To serve as a conduit for public information and education on and to encourage community involvement in matters related to the decommissioning of the ~~VYNPS Vermont Yankee~~ and to receive written reports and presentations on the decommissioning of the ~~Station~~ site at its regular meetings.

(4) To periodically receive reports, including those required by the Public Utility Commission Docket No. 8880 Order, on the Decommissioning Trust Fund and other funds associated with decommissioning of or site restoration at the ~~VYNPS Vermont Yankee~~, including fund balances, expenditures made, and reimbursements received.

(5) To receive reports and presentations at regular meetings regarding the decommissioning progress and plans for the ~~VYNPS Vermont Yankee~~, including any site assessments and post-shutdown decommissioning assessment reports; provide a forum for receiving public comment on these plans and reports; and ~~to~~ provide comment on these plans and reports as the Panel may consider appropriate to State agencies and the owner of the ~~VYNPS Vermont Yankee~~ and in the annual report described in subdivision (2) of this subsection.

Sec. 15. 18 V.S.A. § 1702 is amended to read:

§ 1702. ASSISTANCE

The Department of Public Service, the Agency of Human Services, and the Agency of Natural Resources shall furnish administrative support to the Panel, with assistance from the owners of the ~~VYNPS Vermont Yankee site~~ as the Commissioner of Public Service may consider appropriate.

* * * Energy Storage; Uniform Capacity Tax * * *

Sec. 16. 32 V.S.A. § 8701 is amended to read:

§ 8701. UNIFORM CAPACITY TAX

(a) As used in this section, the terms “energy storage facility,” “kW,” “kWh,” “plant,” “plant capacity,” and “renewable energy” shall be as defined in 30 V.S.A. §§ 201(4) and 8002; provided, however, that any tax or exemption under this chapter shall only apply to the fixtures and personal property of a plant, and not to the underlying land.

(b)(1) There is assessed on any renewable energy plant in Vermont commissioned to generate solar power an annual tax of \$4.00 per kW of plant capacity.

(2) There is assessed on any stationary grid-connected energy storage facility in Vermont that has a plant energy rating of 600 kWh or larger and that is not connected to a renewable energy plant an annual tax of \$0.50 per kWh of plant energy rating.

(3) The tax imposed under this section shall be paid to the Department of Taxes ~~no~~ not later than April 15 of each year and accompanied by a return with such information as the Department of Taxes may require. The Department of Taxes shall deposit the taxes collected under this section into the Education Fund. The Department of Taxes may adopt procedures and rules necessary to implement the tax in this section.

(c) A renewable energy plant that generates electricity from solar power shall be exempt from taxation under this section if it has a plant capacity of less than 50kW. An energy storage facility shall be exempt from taxation under this section if it has a plant energy rating of less than 600 kWh.

(d) The existence of a renewable energy plant or energy storage facility subject to tax under subsection (b) of this section shall not:

(1) alter the exempt status of any underlying property under section 3802 or subdivision 5401(10)(F) of this title; or

(2) alter the taxation of the underlying property under chapter 135 of this title.

* * * Property Tax * * *

Sec. 17. 32 V.S.A. § 3800(n) is added to read:

(n) The statutory purpose of the exemptions for renewable energy plants generating electricity from solar power in subdivision 3802(17) of this title and for energy storage facilities in subdivision 3802(19) of this title is to lower the cost of generating and storing electricity from solar power for smaller plants and facilities.

Sec. 18. 32 V.S.A. § 3802 is amended to read:

§ 3802. PROPERTY TAX

The following property shall be exempt from taxation:

* * *

(17) Real and personal property, except land, ~~composing~~ comprising a renewable energy plant generating electricity from solar power ~~which~~ that has

a plant capacity of less than 50 kW and is either:

(A) operated on a net-metered system; or

(B) not connected to the electric grid and provides power only on the property on which the plant is located.

(18) [Repealed.]

(19) Real and personal property, except land, comprising an energy storage facility that has a plant energy rating of less than 600 kWh.

Sec. 19. 32 V.S.A. § 3481(1)(E) is added to read:

(E) For real and personal property comprising an energy storage facility, except land and property that is exempt under subdivision 3802(19) of this title, the appraisal value shall be \$0.25 per kWh of plant energy rating.

Sec. 20. 32 V.S.A. § 5401(10) is amended to read:

(10) “Nonhomestead property” means all property except:

* * *

(J) Buildings and fixtures of:

(i) wind-powered electric generating facilities taxed under section 5402c of this title; and

(ii) renewable energy plants generating electricity from solar power and energy storage facilities that are taxed under section 8701 of this title.

* * * Tax exemption; Fuels * * *

Sec. 21. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title-;

* * *

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-standing containers, or sold as part of a transaction where a free-standing container is exchanged without a separate charge. Wood pellets sold to an individual on the vendor’s premises or delivered to an individual’s residence shall be presumed to be purchased for residential use and shall be exempt sales under this subdivision unless the vendor knew or ought reasonably to have

known that the wood pellets were not purchased for residential use. A certificate of exemption shall not be required for exempt retail sales of wood pellets to an individual. The Commissioner shall by rule determine that portion of the sales attributable to domestic use where fuels are used for purposes in addition to domestic use.

* * *

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 9 (30 V.S.A. § 248) shall take effect on December 31, 2022 and Sec. 21 (32 V.S.A. § 9741) shall take effect on passage.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 443.

Senator Collamore, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to approval of the merger of the Wilmington Water District with the Town of Wilmington.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 3, effective date, immediately following the words "This act shall take effect on" by striking out the date "July 1, 2021" and inserting in lieu thereof the date June 30, 2021 before the period.

And that the bill ought to pass in concurrence with such proposal of amendment.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Rules Suspended; Bills Messaged

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 88, H. 106, H. 135, H. 436, H. 438.

House Proposal of Amendment Concurred In**S. 15.**

House proposal of amendment to Senate bill entitled:

An act relating to correcting defective ballots.

Was taken up.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Candidate Nicknames * * *

Sec. 1. 17 V.S.A. § 2361 is amended to read:

§ 2361. CONSENT OF CANDIDATE

(a) A candidate for whom petitions containing sufficient valid signatures have been filed shall file with the official with whom the petitions were filed a consent to the printing of the candidate's name on the ballot. The Secretary of State shall prepare and furnish forms for this purpose.

(b)(1) The consent shall set forth the name of the candidate, as the candidate wishes to have it printed on the ballot, the candidate's town of residence, and correct mailing address.

(2) If a candidate wishes to use a nickname, the format on the ballot shall be the candidate's first name, the nickname set off in quotations, and the candidate's last name.

(A) A nickname of one or two words by which the candidate has been commonly known for at least three years preceding the election may be used in combination with a candidate's name. A nickname that constitutes a slogan or otherwise indicates a political, economic, social, or religious view or affiliation may not be used.

(B) A nickname may not be used unless the candidate executes and files with the application for a place on the ballot an affidavit indicating that the nickname complies with this subsection.

(3) Professional titles such as "Dr.," "Esq.," or "CPA" shall not be used as part of a candidate's name on the ballot.

(c) The consent shall be filed on or before the day petitions are due. Unless a consent is filed, the candidate's name shall not be printed on the primary ballot.

* * * Outdoor and Drive-up Polling Places * * *

Sec. 2. 17 V.S.A. § 2502 is amended to read:

§ 2502. LOCATION OF POLLING PLACES; OUTDOOR POLLING PLACES

(a) Each polling place shall be located in a public place within the town.

(b) Outdoor polling places. A polling place may be located outdoors if it can be operated in a manner consistent with the provisions of this chapter.

(1) The board of civil authority shall designate the outdoor area that comprises the "polling place" for purposes of restrictions and requirements for polling places imposed pursuant to this chapter, including the restrictions on campaigning and other activities within the building containing the polling place described in subdivisions 2508(a)(1)(A) and (B) of this subchapter.

(2) An indoor polling place alternative shall be available at or near the same physical location as the outdoor polling place in case of inclement weather. If conditions require use of the indoor alternative, the Secretary of State's office shall be notified immediately of the change.

(3) Candidates and members of the public who would otherwise be allowed to campaign outside an indoor polling place shall be kept a reasonable distance from the outdoor polling place such that any campaigning does not disrupt or interfere in any way with the voting process.

(c) Drive-up voting. Voting may be conducted by a drive-through or drive-up voting method at a polling place if the voting process can be operated in a manner consistent with the provisions of this chapter.

(1) Drive-up voting procedures shall enable voters to complete the voting process without leaving their vehicle, allowing the voters to deposit their ballots directly into a tabulator or secure ballot box that may be brought to the window of the vehicle or located in such a manner that it can be accessed from the vehicle or providing voters an envelope or folder in which to place their voted ballots before handing it to an election official for processing.

(2) Polling places conducting drive-up voting shall also accommodate walk-in voters and those using other forms of transport.

(d) Ballot transfer. If a polling place is outside or if voting is conducted by a drive-up method, ballots may be periodically transferred from a secure

outdoor or drive-up ballot box to another secure container for counting after the close of the polls or to election officials who are processing ballots through the tabulator. Any such transfer shall be done in the presence of two election officials, if possible officials of different parties.

(b)(c) The Access. The accessible voting system shall be available for those who request it. Additionally, the board of civil authority shall take such measures as are necessary to assure ensure that voters who are elders or have a disability may conveniently and secretly cast their votes. Measures that may be taken shall include: location of polling places on the ground floor of a building; providing ramps, elevators, or other facilities for access to the polling place; providing a stencil overlay for ballots; providing a separate polling place with direct communication to the main polling place; and permitting election officials to carry a ballot to an elder or to a person who has a disability in order to permit that person to mark the ballot while in a motor vehicle adjacent to the polling place. For purposes of this subsection, the board of civil authority shall have full jurisdiction on the day of an election over the premises at which a polling place is located.

(e)(f) Polling place designation.

(1) Thirty days prior to a local, primary, or general election, the town clerk shall submit to the Secretary of State a list of polling places within the municipality that will be used in that election. The list shall include the name of the polling location, its physical address, and the time the polling place will open.

(2)(A) A municipality may change the location of a polling place less than 30 days prior to an election only in cases of emergency. If a municipality changes the location of a polling place less than 30 days prior to the election, the town clerk shall notify the Secretary of State within 24 hours of the change and provide the new polling place information.

(B) The Secretary of State shall assist any municipality that needs to change the location of a polling place on the day of an election due to an emergency, including assisting in finding a new location and informing the public of that new location.

(C) The Secretary of State shall inform the State chairs of Vermont's major political parties of any changes made to polling places that he or she is aware of made less than 30 days prior to an election.

(3) The Secretary of State shall provide on his or her official website a list of polling places that will be used in any local, primary, or general election within the State, and shall specifically provide notice on that website of any change in the location of a municipality's polling place.

* * * Ballot Mailing for Local Elections * * *

Sec. 3. 17 V.S.A. § 2680 is amended to read:

§ 2680. AUSTRALIAN BALLOT SYSTEM; GENERAL

(a) Application. Unless specifically required by statute, the provisions of the Australian ballot system shall not apply to the annual or special meeting of a municipality unless that municipality, at its annual meeting or at a special meeting called for that purpose, votes to have them apply.

* * *

(f) Presiding officer. The presiding officer for any election or part of an election using the Australian ballot system shall be the town clerk or as otherwise provided in section 2452 of this title.

(g) Early and absentee voting. At the time the Australian ballots are available, which shall be not less than 20 days before the election, early and absentee voting shall be permitted in accordance with chapter 51, subchapter 6 of this title.

(1) The legislative body of a town, city, or village may vote to mail a ballot to all active registered voters in the town, city, or village.

(2) A school board may, after receiving the approval of the legislative body of each member town in the district, vote to mail its annual meeting ballot to all active registered voters in the district. In such case, the town clerk and election officials in the member towns shall be responsible for the mailing of the ballots but all costs associated with the mailing of ballots shall be borne by the school district.

(3) Ballots shall be mailed not less than 20 days before the election, or as soon as they are available.

(4) The mailing of ballots shall be conducted to the extent practicable in accordance with chapter 51, subchapter 6 of this title.

(g)(h) Hearing.

(1) Whenever a municipality has voted to adopt the Australian ballot system of voting on any public question or budget, except the budget revote as provided in subsection (c) of this section, the legislative body shall hold a public informational hearing on the question by posting warnings at least 10 days in advance of the hearing in at least two public places within the municipality and in the town clerk's office.

* * *

* * * Ballot Mailing for Statewide Elections * * *

Sec. 4. 17 V.S.A. § 2532 is amended to read:

§ 2532. AUTHORIZED APPLICANTS; APPLICATION FORM;
DUPLICATES

* * *

(e) Duplicate early voter absentee ballots.

(1)(A) The town clerk may, upon application, issue a duplicate early voter absentee ballot if the original ballot is lost or not received by the voter within a reasonable period of time after mailing it is mailed to the voter by the town clerk or by the Secretary of State's office pursuant to section 2537a of this subchapter.

(B) The application may be made by a person entitled to apply for an early voter absentee ballot under subsection (a) of this section and shall be accompanied by a sworn statement affirming that the voter has not received the original ballot.

(2) If a duplicate early voter absentee ballot is issued and both the duplicate and original early voter absentee ballots are received before the close of the polls on election day, the ballot with the earlier postmark that is received first by the town clerk shall be counted and the Elections Division of the Secretary of State's office shall be notified.

* * *

Sec. 5. 17 V.S.A. § 2536 is amended to read:

§ 2536. FURNISHING EARLY VOTER ABSENTEE BALLOT
ENVELOPES

Upon request, for any statewide primary, presidential primary, or general election, the Secretary of State shall furnish the envelopes prescribed in sections 2535 and 2542 of this title to town clerks in such numbers as they request. The cost of absentee ballot envelopes for local elections shall be borne by the municipality.

Sec. 6. 17 V.S.A. § 2537 is amended to read:

§ 2537. EARLY OR ABSENTEE VOTING IN THE TOWN CLERK'S
OFFICE

(a)(1) A voter may, if he or she chooses, apply in person to the town clerk for the early voter absentee ballots and envelopes.

(2) In this case, the clerk shall furnish the early voter absentee ballots and envelopes when a valid application has been made, or at such time as the

clerk receives the ballots, whichever comes first.

(3) The voter may:

(A) mark his or her ballots, place them in the envelope, sign the certificate, and return the ballots in the envelope containing the certificate to the town clerk or an assistant town clerk without leaving the office of the town clerk; or

(B) take the ballots and return them to the town clerk in the same manner as if the ballots had been received by mail; or

(C) if the board of civil authority has voted to allow it pursuant to section 2546b of this subchapter, mark the ballots and deposit them directly into the vote tabulator or ballot box in accordance with section 2546b of this subchapter.

(b) Except for justices of the peace as provided in section 2538 of this subchapter, a person shall not take any ballot from the town clerk on behalf of any other person.

Sec. 7. 17 V.S.A. § 2537a is added to read:

§ 2537a. MAILING OF GENERAL ELECTION BALLOTS

(a) For every general election, the Secretary of State's office shall mail a general election ballot to all active voters on the statewide voter checklist described in section 2154 of this title.

(1) The mailing of the ballots shall commence not later than 43 days before the election and shall be completed not later than October 1.

(2) A postage-paid return envelope, pre-addressed to the town or city clerk of the town or city where the voter is registered to vote, shall be included with the ballot sent to every voter in which the ballot may be mailed back to the clerk. All postage cost shall be paid by the Secretary of State's office.

(3) The address file to be used for the mailing shall be generated from the statewide voter checklist as close as practicable to the date of the mailing and in no case earlier than September 1.

(4) The Secretary of State's office shall include in the mailing to each voter instructions for return of the voted ballot.

(b) General election ballots mailed by the Secretary of State's office under this section shall be returned by the voter to the town or city clerk in the town or city where that voter is registered in accordance with the procedures for return of ballots described in this subchapter.

Sec. 8. 17 V.S.A. § 2539 is amended to read:

§ 2539. DELIVERY OF EARLY VOTER ABSENTEE BALLOTS

(a) Default; town office or mail.

(1) Except as provided in subsections (b) and (c) of this section, unless the early or absentee voter votes in the town clerk's office as set forth in section 2537 of this ~~subchapter~~ title, the town clerk shall provide to the early or absentee voter who comes to the town clerk's office a complete set of early voter absentee ballots or mail a complete set of early voter absentee ballots to each early or absentee voter for whom a valid application has been filed.

(2) ~~The~~ Except as provided in subdivision (3) of this subsection, the early voter absentee ballots shall be mailed forthwith upon the filing of a valid application, or upon the town clerk's receipt of the necessary ballots, whichever is later.

(3)(A) For any general election, if a voter transfers his or her registration from another town or city in the state following the mailing of ballots to all active voters by the Secretary of State's office pursuant to section 2537a of this subchapter, before issuing an absentee ballot the clerk shall confirm the status of the ballot that was previously mailed to that voter by the Secretary of State and proceed as follows:

(i) If the voter has voted and returned the ballot issued to the voter by the Secretary of State to the town in which the voter was previously registered, the voter shall not be issued a ballot nor be allowed to cast another ballot in the same general election and shall be registered following the election.

(ii) If the voter did not receive or did not return the ballot that was previously sent to the voter by the Secretary of State, the voter may be issued another ballot for the general election if:

(aa) the voter returned the unvoted ballot that was previously issued to the voter; or

(bb) the voter signs an affidavit stating that the voter has not previously cast a ballot in that general election.

(B) If a voter registers to vote for the first time in Vermont following the time when the Secretary of State's office generated the address file to be used for the mailing of ballots to all active voters by the Secretary of State's office, the clerk shall either issue a ballot to the voter in person at the time of registration or mail a ballot to the voter within three business days, provided the voter's registration does not occur within five days of the election. If the clerk does not have ballots available at the time of registration, the clerk shall

mail a ballot to the voter within three business days after obtaining ballots.

* * *

Sec. 9. 17 V.S.A. § 2540 is amended to read:

§ 2540. INSTRUCTIONS TO BE SENT WITH BALLOTS

(a) The town clerk shall send with all early voter absentee ballots and envelopes printed instructions, which may be included on the envelope, in ~~substantially the following form:~~ a form prescribed by the Secretary of State's office.

~~INSTRUCTIONS FOR EARLY OR ABSENTEE VOTERS~~

- ~~1. Mark the ballots.~~
- ~~2. Place them in this envelope.~~
- ~~3. Fill out and sign the certificate on the envelope.~~
- ~~4. Mail or deliver the envelope containing the ballots to the town clerk of the town where you are a registered voter in time to arrive not later than election day.~~

~~Note: If these ballots have been brought to you personally by two justices of the peace because of your illness, injury, or disability, just return them to the justices after you have signed the envelope. YOU HAVE THE RIGHT TO MARK YOUR BALLOTS IN PRIVATE—but if you ask for help in filling out the ballots, they will give it to you.~~

~~BE SURE TO FILL OUT AND SIGN THE CERTIFICATE ON THIS ENVELOPE OR YOUR VOTE WILL NOT COUNT!~~

~~(b) In the case of early absentee voting in a primary, the instructions shall also include appropriate instructions prepared by the Secretary of State for separating and depositing unvoted ballots in a separate envelope provided and clearly marked for that purpose.~~

* * * Ballot Curing; Secure Drop Boxes * * *

Sec. 10. 17 V.S.A. § 2543 is amended to read:

§ 2543. RETURN OF BALLOTS

(a) After marking the ballots and signing the certificate on the envelope, the early or absentee voter to whom the same are addressed shall return the ballots to the clerk of the town in which ~~he or she is a~~ the voter is registered, in the manner prescribed, except that in the case of a voter to whom ballots are delivered by justices, the ballots shall be returned to the justices calling upon ~~him or her~~ that voter, and they shall deliver them to the town clerk.

(b) Once an early voter absentee ballot has been returned to the clerk in the envelope with the signed certificate, it shall be stored in a secure place and shall not be returned to the voter for any reason unless the ballot is deemed defective under subdivision 2546(a)(2) of this subchapter and the voter chooses to cure the defect and cast the ballot pursuant to subsection 2547(d) of this subchapter.

(c) If a ballot includes more than one page, the early or absentee voter need only return the page upon which the voter has marked his or her vote.

(d)(1) All early voter absentee ballots returned as follows shall be counted:

(A) by any means, to the town clerk's office before the close of business on the day preceding the election;

(B) to any secure ballot drop box provided by the town or city in which the voter is registered pursuant to section 2543a of this subchapter before the close of business on the day before the election;

~~(B)~~(C) by mail, to the town clerk's office before the close of the polls on the day of the election; and

~~(C)~~(D) by hand delivery to the presiding officer at the voter's polling place before the closing of the polls at 7:00 p.m.

(2) An early voter absentee ballot returned in a manner other than those set forth in subdivision (1) of this subsection shall not be counted.

(e) A candidate whose name appears on the ballot for that election, or a paid campaign staff member of any such candidate, may not return a ballot to the town clerk or to a secure ballot drop box, unless that candidate or paid campaign staff member:

(1) is returning the candidate's or paid campaign staff member's own ballot;

(2) is returning the ballot of an immediate family member, as defined in section 2532 of this title, including a person's spouse, children, brothers, sisters, parents, spouse's parents, grandparents, and spouse's grandparents, who has requested the candidate's or paid campaign staff member's assistance with the return of that ballot;

(3) is returning the ballot of a voter for whom the candidate or paid campaign staff member is a caretaker, and who has requested the candidate or paid campaign staff member's assistance with the return of that ballot; or

(4) is a justice of the peace performing his or her official duties pursuant to section 2538 of this title.

(f) No individual may return more than 25 ballots to the town clerk or to a secure ballot drop box unless the individual is a justice of the peace performing his or her official duties pursuant to section 2538 of this title.

(g) The clerk or other local election official accepting the return of ballots shall not be required to enforce the provisions of subsections (e) and (f) of this section but shall report any suspected violations to the Secretary of State's office, who shall refer them to the Attorney General's office for investigation. Individuals violating this section may be subject to penalties pursuant to section 2017 of this title.

Sec. 11. 17 V.S.A. § 2543a is added to read:

§ 2543a. PROVISION OF SECURE BALLOT DROP BOXES

(a) A board of civil authority may vote to install one or more secure outdoor ballot drop boxes (drop boxes) for the return of voted ballots.

(b) Drop boxes shall be located on municipal property. If a town has only one drop box, it shall be located on the property of the municipal clerk's office.

(c) Drop boxes shall allow for the return of ballots by voters at any time of day and must be available for the return of ballots not later than 43 days before the election.

(d) Drop boxes shall be installed and maintained in accordance with guidance issued by the Secretary of State's office. At a minimum, drop boxes shall:

(1) be affixed to a foundation or other immovable object such that they cannot be removed without being tampered with;

(2) be under 24-hour video surveillance or in the alternative be within sight of the municipal building;

(3) be constructed in such a manner that it is impossible to remove the ballots without the ballot box being tampered with; and

(4) be able to be closed such that ballots may not be deposited once the deadline for deposit has passed.

(e)(1) Ballots may be deposited in the drop boxes until the close of business on the day before the election. At the close of business, the drop box shall be closed and instructions affixed to the drop box instructing the voter to return the voter's voted ballot to the polling place on the day of the election.

(2) Notwithstanding subdivision (1) of this subsection, a board of civil authority may vote to allow ballots to be deposited in the drop boxes until not

later than the closing of the polls on election day.

(f) The Secretary of State's office shall provide drop boxes to a town or city upon request following a vote of the board of civil authority. The maximum number of drop boxes that the Secretary of State's office shall provide in any town or city shall be as follows:

- (1) up to 5,000 registered voters, one;
- (2) between 5,000 and 10,000 registered voters, two;
- (3) between 10,000 and 15,000 registered voters, three;
- (4) between 15,000 and 20,000 registered voters, four; and
- (5) over 20,000 registered voters, five.

(6) A town or city may have a number of secure drop boxes equal to the number of representative districts in that town or city, with one drop box located in each district, if that number is greater than the number allowed based on that town or city's number of registered voters in subdivisions (1)–(5) of this subsection. If there is not suitable municipal property for the location of a secure drop box in the area covered by a certain district in the town or city, an alternative location may be used with the approval of the Secretary of State's office.

Sec. 12. REPEALS

17 V.S.A. § 2545 (receipt of marked ballots by town clerk; delivery to election officers) is repealed.

* * * Ballot Processing and Defective Ballot Notification * * *

Sec. 13. 17 V.S.A. § 2546 is amended to read:

§ 2546. DEPOSIT OF EARLY VOTER ABSENTEE BALLOTS IN BALLOT BOX OR VOTE TABULATOR RECEIPT OF BALLOTS BY CLERK; VOTER STATUS; OPPORTUNITY TO CURE; PROCESSING ABSENTEE BALLOTS

(a) Not earlier than Beginning 30 days before the opening of the polls on election day, upon receipt of a mailing envelope containing ballots returned by a voter, the town clerk may shall, within three business days or on the next day the office is open for business, whichever is later, direct two election officials working together to do all of the following:

- (1) open the outside mailing envelope and sort early voter absentee ballots by ward and district, if necessary; and
- (2) determine that the certificate has been properly completed and signed; the voted ballot was placed in the certificate envelope, and the ballot

is not defective for any other reason pursuant to section 2547 of this subchapter.

(A) If the ballot is not deemed defective, the clerk shall check the name of the early voter off the entrance checklist and record the ballot as received and accepted in the online election management system, and:

(i) place the certificate envelopes into a secure container marked “checked in early voter absentee ballots” to be transported to the polling places on election day; or

(ii) open the certificate envelope and place the voted ballot in the ballot box or tabulator in accordance with the procedures contained in section 2546a of this subchapter.

(B) If the ballot is deemed defective, the clerk shall:

(i) Check the name of the early voter off the entrance checklist and record the ballot as received and defective in the online election management system.

(ii) Place the ballot in the defective ballot envelope in accordance with the procedures of subdivisions 2547(b)(1)–(3) of this subchapter.

(iii) Not later than the next business day transmit a notice, with information required by the Secretary of State’s office, to the voter informing the voter that the voter’s ballot was deemed defective and rejected, the reason it was deemed defective, and the voter’s opportunity to correct the error pursuant to subsection 2547(d) of this subchapter. If the ballot was deemed defective because the voter failed to sign the return certificate, to place the voted ballot in the certificate envelope, or did not return their unvoted primary ballots in the unvoted ballot envelope, the clerk shall include a returnable affidavit, designed and provided by the Secretary of State’s office, with the notice so the voter may cure the deficiency in accordance with subdivision 2547(d)(1)(C) of this subchapter.

(b) Beginning five business days preceding the election, the clerk is not required to mail a notice to those voters whose ballots have been deemed defective. In these cases, the clerk shall make a reasonable effort to provide notice to the voter as soon as possible using any contact information for the voter, other than the mailing address, that is contained in the voter checklist and shall record the ballot as defective in the online election management system not later than 24 hours after the ballot is deemed defective.

~~(3) check the name of the early voter off the entrance checklist; and~~

~~(4) place the certificate envelopes into a secure container marked “checked in early voter absentee ballots” to be transported to the polling places~~

~~on election day.~~

~~(b)(c) The Processing absentee ballots on election day. If the certificate envelopes have not been opened and the voted ballots placed in the ballot box or tabulator, the town clerk or presiding officer shall deliver the unopened early voter absentee ballots to the election officials at the place where the entrance checklist is located. Upon the opening of the polls During the polling hours on election day:~~

~~(1) If the ballots are in a , at the direction of the presiding officer, at least two election officials shall open the container marked "checked in early voter absentee ballots," one election official shall open the certificate envelopes, turn the certificate side face down, and hand the envelope face down to a second election official, if possible from a different political party, who shall remove the ballots from the envelopes and deposit them in the ballot box or vote tabulator. If the early voter is a first-time voter who registered by mail or online, and if the proper identification has not been submitted before the closing of the polls, the ballot shall be treated as a provisional ballot, as provided in subchapter 6A of this chapter.~~

~~(2) If the ballots have not been previously checked off the entrance checklist and if two election officials, from different political parties, determine that the certificate on the envelope is properly completed and signed by the early voter, the name of the early voter appears on the checklist, and the early voter is not a first-time voter in the municipality who registered by mail and is marked on the checklist as requiring additional documentation, the election officials shall mark the checklist, open the certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballots in the ballot box or vote tabulator.~~

~~(3)(A) If the early voter is a first-time voter who registered by mail or online, two election officials from different political parties shall determine whether the identification required under subdivision 2563(1) of this title has been submitted by the voter. Upon ascertaining that the proper identification has been submitted by the voter, the election officials shall mark the checklist, open the certificate envelope, turn the certificate side face down, and hand the envelope face down to a third election official who shall remove the ballots from the envelopes and deposit the ballot in the ballot box or vote tabulator.~~

~~(B) If the proper identification has not been submitted, the ballot shall be treated as a provisional ballot, as provided in subchapter 6A of this chapter.~~

~~(e)(d)~~ All early voter absentee ballots shall be commingled with the ballots of voters who have voted in person.

Sec. 14. 17 V.S.A. § 2546a is amended to read:

§ 2546a. ~~DAY PRECEDING ELECTION;~~ DEPOSIT OF EARLY VOTER
ABSENTEE BALLOTS IN VOTE TABULATOR

(a) Generally. Notwithstanding any provision of law to the contrary, ~~if a town will be using a vote tabulator for the registering and counting of votes in the upcoming election and will check in early voter absentee ballots in accordance with subsection 2546(a) of this chapter for that election, the board of civil authority may vote to permit elections officials to deposit these early voter absentee ballots that have been processed in accordance with subsection 2546(a) of this subchapter and have not been deemed defective into the vote tabulator or ballot box in accordance with the provisions of this section and any guidance issued by the Secretary of State. This~~ Any such depositing of these ballots shall take place at the town clerk's office ~~on the day~~ during the 30 days preceding the election.

(b) Notice.

~~(1) If a board of civil authority votes to deposit ballots as described in subsection (a) of this section, the town clerk shall post notice that ballots will be so deposited in at least two public places in the municipality and in or near the town clerk's office not less than 30 nor more than 40 days before the election. If a municipality has more than one polling place and the polling places are not all in the same building, the notice shall be posted in at least two public places within each voting district and in or near the town clerk's office. the process shall be conducted during normal business hours if practicable or, if conducting the process at a time other than normal business hours, notice of the date(s), time(s), and location of the processing shall be posted at the clerk's office and two other public places at least three days in advance.~~

~~(2) In addition, at least five days before the day preceding the election, the notice shall be published in a newspaper of general circulation in the municipality and on the municipality's website, if the municipality actively updates its website on a regular basis.~~

~~(3) The notice shall include the date and time for the count, inspection, and depositing of the ballots and the location of the town clerk's office.~~

(c) Officials. The town clerk and at least two other election officials, from different political parties to the extent practicable, shall be present for the inspection of the sealed certificate envelopes and the processing of the ballots described in this section.

~~(d) Count and inspection.~~

~~(1) On the day preceding the election, at least one hour prior to depositing the ballots in the vote tabulator, the town clerk and the election officials shall:~~

~~(A) first open the secure container marked "checked in early voter absentee ballots," count the certificate envelopes containing those ballots, and record the number counted; and~~

~~(B) permit these certificate envelopes to be inspected by members of the public.~~

~~(2) Any early voter absentee ballot that is returned after the expiration of the period for the count and inspection shall be processed on the day of the election in accordance with section 2546 of this subchapter.~~

~~(e) Processing.~~

~~(1) Immediately after the expiration of the period for the count and inspection described in subsection (d) of this section, the town clerk and election officials shall open each certificate envelope containing an early voter absentee ballot that was counted under subdivision (d)(1) of this section and deposit each ballot into a vote tabulator.~~

~~(2) The town clerk and the election officials shall ensure that all procedures for handling ballots are followed to the fullest extent practicable.~~

~~(3) At the end of the processing, the town clerk shall verify that the vote tabulator's memory card is locked in place and shall sign a statement verifying how many early voter absentee ballots were counted by the vote tabulator and that the memory card is so locked. The town clerk shall compare the vote tabulator's number of counted ballots to the original count of those ballots described in subdivision (d)(1) of this section.~~

~~(f) Security. The town clerk shall otherwise comply with all provisions of this title relating to the security of the vote tabulator.~~

~~(g) Election day. On the day of the election, when the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number that the town clerk verified the tabulator counted on the preceding day.~~

(d) Processing. The Secretary of State's office shall issue detailed procedures for conducting the processing of early ballots into the vote tabulator or ballot box pursuant to this section. A town or city shall follow the procedures issued by the Secretary of State's office for this purpose.

~~(h)~~(e) Rules. The Secretary of State may adopt rules to implement the provisions of this section.

Sec. 15. 17 V.S.A. § 2546b is amended to read:

§ 2546b. EARLY VOTING IN TOWN CLERK'S OFFICE; DEPOSIT INTO VOTE TABULATOR

(a)(1) A board of civil authority may vote to permit its town's registered early or absentee voters to vote in the town clerk's office in the same manner as those voting on election day by marking their early voter absentee ballots and depositing them into a vote tabulator or secure ballot box.

(2) If a board of civil authority votes to permit early voting as described in subdivision (1) of this subsection, the town's process for conducting this early voting shall conform to the provisions of this section and to procedures that the Secretary of State shall adopt for this purpose.

(b)(1) During business hours in the town clerk's office, the secure ballot box or vote tabulator and ballot bin shall be in a secured area accessible only to election officials and voters. The vote tabulator unit shall be secured with an identifiable seal and the ballot box containing voted ballots shall remain locked at all times and secured with an identifiable seal. Neither seal shall be broken prior to the time of closing the polls on election day.

(2) Once early voting has commenced in the town clerk's office, the town clerk or designee shall certify each day in a record prepared for this purpose that the seals on the vote tabulator and secure ballot box are intact.

(3) When an election official is not present or at times other than business hours, the secure ballot box or sealed vote tabulator and ballot ~~box~~ bin shall be secured in the town clerk's office vault.

(4) The town clerk shall maintain a record of each early or absentee voter who voted in person in accordance with this section and shall mark these voters as having voted early in the clerk's office in the online election management system.

(c) On the day of the election:

(1) The secure ballot box or sealed vote tabulator and ~~sealed ballot boxes~~ ballot bin shall be transferred to the polling place on election day by two election officials and shall not be opened until the polls have closed on election day.

(2) When the vote tabulator is turned on at the polling place, the town clerk shall verify that the number of ballots that the vote tabulator displays as having been counted matches the number of voters who deposited their early

voter absentee ballots in the vote tabulator in accordance with this section and any early voter absentee ballots that were processed and deposited in the vote tabulator under section 2546a of this subchapter.

(3) All early voter absentee ballots shall be commingled with those voted at the polls on election day prior to being examined for the purpose of identifying write-in votes.

Sec. 16. 17 V.S.A. § 2547 is amended to read:

§ 2547. DEFECTIVE BALLOTS

(a) If upon examination by the election officials it shall appear that any of the following defects is present, either the ballot or the unopened certificate envelope shall be marked “defective” and the ballot shall not be counted:

- (1) the identity of the early or absentee voter cannot be determined;
- (2) the early or absentee voter is not legally qualified to vote;
- (3) the early or absentee voter has voted in person or previously returned a ballot in the same election;
- (4) the certificate is not signed;
- (5) the voted ballot is not in the certificate envelope; or
- (6) in the case of a primary vote, the early or absentee voter has failed to return the unvoted primary ballots.

(b) Each defective ballot or unopened certificate envelope shall be:

- (1) affixed with a note from the presiding officer indicating the reason it was determined to be defective; and
- (2) placed with other such defective ballots in an envelope marked “Defective Ballots - Voter Checked Off Checklist - Do Not Count”; and
- ~~(3) returned in that envelope to the town clerk in the manner prescribed by section 2590 of this chapter.~~

(c) The provisions of this section shall be indicated prominently in the early or absentee voter material prepared by the Secretary of State.

(d)(1) If a ballot is deemed defective, the voter shall be notified of the defect in accordance with the provisions of subdivision 2546(a)(2)(B) of this subchapter. Upon notification, the voter may cure the defect until the closing of the polls on election day, by:

(A) correcting the defect or submitting a new absentee ballot in person at the clerk’s office or at the polling place on election day;

(B) requesting a new ballot be mailed to them by the clerk along with materials for submission of the new ballot, provided the new ballot is received by the presiding officer or other sworn election official prior to the closing of the polls; or

(C) for a voter who failed to sign the certificate envelope, failed to place the voted ballot in the certificate envelope, or did not return their unvoted primary ballots in the unvoted ballot envelope, returning the signed affidavit included in the notice under subdivision 2546(a)(2)(B)(iii) of this subchapter either by mail, in person, or electronically, provided the affidavit is received by the presiding officer or other sworn election official prior to the closing of the polls if returned in person or by mail or prior to the close of business on the day before the election if returned electronically.

(2)(A) If a voter corrects the defect in accordance with subdivision (1)(A) or (1)(C) of this subsection (d), the clerk shall update the status of the ballot to “received – accepted” in the online election management system.

(B) If a voter corrects the defect by requesting a new ballot be mailed to them under subdivision (1)(B) of this subsection (d), the clerk shall enter a second absentee ballot request and issue date for that voter in the online election management system.

(3) The same voter may cure a ballot deemed defective not more than twice for any single election.

* * * Voting Early at Clerk’s Office * * *

Sec. 17. 17 V.S.A. § 2548 is amended to read:

§ 2548. VOTING IN PERSON

(a) Prior to the opening of the polls, the municipal clerk shall provide the election officials of each polling place with a list of the names of all persons who have voted early in the clerk’s office or marked and returned early voter absentee ballots, and these persons shall not thereafter vote in person in the same election.

~~(b)(1) A person who in good faith has received early voter absentee ballots for his or her use but has not yet marked them, if he or she is able to vote in person, may cast the early voter absentee ballots as provided above, or may vote in person after returning the complete set of unmarked ballots, together with the envelope intended for their return, to the presiding officer at the time the voter appears to vote in person.~~

~~(2) If a person does not have his or her absentee ballots to return, the person shall be checked off the checklist and permitted to vote only after completing a sworn affidavit that he or she does not have his or her absentee~~

~~ballots to return.~~

~~(3) The presiding officer shall return the unused early voter absentee ballots and envelope to the town clerk, who shall make a record of their return on the list of early or absentee voters and treat them as replaced ballots, pursuant to section 2568 of this title. A voter who has been issued an early ballot, either by the Secretary of State's office pursuant to section 2537a of this subchapter, or otherwise by the town clerk, but who has not returned the voter's voted ballot to the clerk, may vote in person at the polling place on election day.~~

(2) If the voter brings the voter's marked ballot enclosed in the signed certificate envelope, the voter may submit that certificate envelope containing the voted ballot to the entrance checklist official for processing along with any other early or absentee ballots. The voter shall be marked off the checklist and the clerk shall record the voter as having returned the absentee ballot on election day in the online election management system.

(3) If the voter brings the marked ballot, but it is not enclosed in the certificate envelope, the voter shall be marked off the checklist and be allowed to cast that ballot into the secure ballot box or tabulator in the same manner as other voters who are voting in the polling place. The clerk shall record any such voter as having voted in person on election day in the online election management system.

(4) If the voter brings the unmarked ballot, the voter shall be marked off the checklist and allowed to proceed to a voting booth to mark that ballot and cast it into the ballot box or tabulator in the same manner as other voters who are voting in the polling place. The presiding officer may choose to provide any such voter with a new ballot in exchange for the unvoted ballot that the voter brought to the polls. The clerk shall record any such voter as having voted in person on election day in the online election management system.

(5) If the voter does not bring a marked or an unmarked ballot with them to the polls, the voter shall be required to sign an affidavit that the voter has not previously cast a ballot in the election, and only then shall they be checked off the checklist and allowed to vote in the same manner as all other voters who are voting at the polling place. The clerk shall record any such voter as having voted in person on election day in the online election management system. Any affidavits signed by voters at the polling place pursuant to this section shall be retained for a period of 90 days following the election.

Sec. 18. 17 V.S.A. § 2565 is amended to read:

§ 2565. DELIVERY OF BALLOTS

As Except as otherwise provided in subsection 2548(b) of this title, as each voter passes through the entrance of the guardrail, an election official or officials shall hand him or her one of each kind of ballot. The election officials shall also answer any questions a voter may ask concerning the process of voting. The presiding officer shall keep the election officials in charge of furnishing ballots to voters supplied with a sufficient number of blank ballots, keeping the remainder of the blank ballots safely secured until needed.

Sec. 19. 17 V.S.A. § 2566 is amended to read:

§ 2566. MARKING BALLOTS

~~On~~ Except as provided in subdivision 2548(b)(2) of this title, on receiving his or her ballots, the voter shall forthwith, and without leaving the polling place or going outside the guardrail, proceed to one of the booths not occupied by any other person and vote by filling in the appropriate square or oval opposite the name of the candidate of his or her choice for each office, or by writing in the name of the candidate of his or her choice in the blank space provided and filling in the square or oval to the right of that blank space.

* * * Reports * * *

Sec. 20. LANGUAGE ACCESS; REPORT

The Secretary of State's office shall consult with municipalities and interested stakeholders on best practices for increasing access to voting for non-English-speaking Vermonters and Vermonters with limited English proficiency and provide recommendations to the Senate and House Committees on Government Operations on or before January 15, 2022.

Sec. 21. [Deleted.]

Sec. 21a. VOTING ACCESS AND VERIFICATION; REPORT

On or before January 30, 2023, the Secretary of State's office shall submit a written report to the House and Senate Committees on Government Operations with its findings and any recommendations for legislative action on:

(1) issues related to implementing universal vote by mail for municipal and primary elections; and

(2) the impact expanding vote by mail would have on:

(A) access to voting among those who have historically been disenfranchised and populations that have historically had low voter turnout;

(B) public satisfaction with the voting process;

(C) the administration of elections; and

(3) implementing a voter verification system in Vermont that will not disenfranchise voters and that will verify that ballots have been voted by registered voters, including a report back on the time, training and cost involved in implementing the system or systems.

* * * Voter Checklist * * *

Sec. 22. 17 V.S.A. § 2154 is amended to read:

§ 2154. STATEWIDE VOTER CHECKLIST

(a) The Secretary of State shall maintain a uniform and nondiscriminatory statewide voter checklist. This checklist shall serve as the official voter registration list for all elections in the State. In maintaining the statewide voter checklist, the Secretary shall:

(1) limit a town clerk to adding, modifying, or deleting applicant and voter information on the portion of the checklist for that clerk's municipality;

(2) limit access to the statewide voter checklist for a local elections official to verifying whether the applicant is registered in another municipality in the State by a search for the individual voter;

(3) notify a local elections official when a voter registered in that official's district registers in another voting district so that the voter may be removed from that official's district checklist;

(4) provide adequate security to prevent unauthorized access to the checklist; ~~and~~

(5) ensure the compatibility and comparability of information on the checklist with information contained in the Department of Motor Vehicles' computer systems; and

(6) make reasonable efforts on an ongoing basis to compare the information on the checklist with data or information contained in any State agency's database, a database administered by the federal government, or any database of another state or consortium of states, where possible, in an effort to maintain the accuracy and currency of the checklist.

* * *

* * * Fiscal Year 2022 Funding * * *

Sec. 22a. APPROPRIATIONS; FISCAL YEAR 2022; FUNDING SOURCE

The amount of \$800,000.00 is appropriated to the Secretary of State's

office for one-time elections-related expenses in fiscal year 2022. This appropriation shall be funded as follows:

(1) The amount of \$400,000.00 in general funds is appropriated to the Secretary of State's office for one-time elections-related expenses in fiscal year 2022.

(2) The remaining \$400,000.00 appropriation shall be funded by the Secretary of State Service Fund or by Help America Vote Act (HAVA) funds, to the extent those funds are able to absorb the costs, or from other federal funds made available to the Secretary of State's office.

(3) To the extent the one-time elections-related costs cannot be funded or absorbed as outlined in subdivisions (1)–(2) of this section, the Secretary of State's office shall include any remaining costs in its fiscal year 2022 budget adjustment proposal.

* * * Effective Date * * *

Sec. 23. EFFECTIVE DATE

This act shall take effect on passage.

and that after passage the title of the bill be amended to read: “An act relating to mailing out ballots, correcting defective ballots, and miscellaneous changes to State election laws”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Message from the House No. 74

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 22. An act relating to health care practitioners administering stem cell products not approved by the U.S. Food and Drug Administration.

And has passed the same in concurrence.

The House has considered a bill originating in the Senate of the following title:

S. 48. An act relating to Vermont's adoption of the interstate Nurse Licensure Compact.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill:

H. 435. An act relating to miscellaneous Department of Corrections-related amendments.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

The Governor has informed the House that on May 17, 2021, he approved and signed bills originating in the House of the following titles:

H. 18. An act relating to sexual exploitation of children and limited immunity from liability for a person reporting a crime..

H. 46. An act relating to miscellaneous provisions of mental health law.

H. 89. An act relating to limiting liability for agritourism.

Adjournment

On motion of Senator Balint, the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Bill Messaged

H. 433.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

Was taken up for immediate consideration.

Senator Perchlik, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 433. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Transportation Program Adopted as Amended; Definitions * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS

(a) The Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2022 budget, as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Electric bicycle" means a bicycle equipped with fully operable pedals, a saddle or seat for the rider, and an electric motor of less than 750 watts.

(3) "Electric vehicle supply equipment (EVSE)" has the same meaning as in 30 V.S.A. § 201.

(4) "Plug-in electric vehicle (PEV)," "plug-in hybrid electric vehicle (PHEV)," and "battery electric vehicle (BEV)" have the same meanings as in 23 V.S.A. § 4(85).

(5) "Secretary" means the Secretary of Transportation.

(6) "TIB funds" means monies deposited in the Transportation Infrastructure Bond Fund in accordance with 19 V.S.A. § 11f.

(7) The table heading "As Proposed" means the Proposed Transportation Program referenced in subsection (a) of this section; the table heading "As Amended" means the amendments as made by this act; the table heading "Change" means the difference obtained by subtracting the "As Proposed" figure from the "As Amended" figure; and the terms "change" or "changes" in the text refer to the project- and program-specific amendments, the aggregate sum of which equals the net "Change" in the applicable table heading.

(c) In the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Town Highway Aid, the value "\$26,017,744" is struck and "\$27,105,769" is inserted in lieu thereof to correct a typographic error.

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2022 TRANSPORTATION INVESTMENTS
INTENDED TO REDUCE TRANSPORTATION-RELATED
GREENHOUSE GAS EMISSIONS, REDUCE FOSSIL FUEL
USE, AND SAVE VERMONT HOUSEHOLDS MONEY

This act includes the State's fiscal year 2022 transportation investments intended to reduce transportation-related greenhouse gas emissions, reduce fossil fuel use, and save Vermont households money in furtherance of the policies articulated in 19 V.S.A. § 10b and the goals of the Comprehensive Energy Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals. In fiscal year 2022, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of \$5,220,233.00, which will fund three park and ride construction projects, including the creation of two new park and ride facilities; the design of two additional park and ride facilities scheduled for construction in future fiscal years; and paving projects for existing park and ride facilities. This year's Park and Ride Program will create 226 new State-owned spaces. Specific additions and improvements include:

(A) Berlin (Exit 6)—Design for 62 spaces;

(B) Berlin (Exit 7)—Construction of 34 new spaces;

(C) Manchester—Design for 50 spaces;

(D) Williamstown-Northfield (Exit 5)—Construction of 50 new spaces; and

(E) Williston—Construction of 142 new spaces.

(2) Bike and Pedestrian Facilities Program. This act, in concert with 2020 Acts and Resolves No. 139, Sec. 12(b)(1), provides for a fiscal year expenditure, including local match, of \$21,180,936.00, which will fund 27 bike and pedestrian construction projects; two new pedestrian bridge installations; and 12 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. In addition to the Lamoille Valley Rail Trail, which will run from Swanton to St. Johnsbury, projects are funded in Arlington, Bennington, Brattleboro, Chester, Colchester-Essex, Dover, East Montpelier, Enosburg Falls, Hartford, Hartland, Hinesburg, Jericho, Johnson, Lincoln, Middlebury, Moretown, Plainfield, Poultney, Proctor, Richford, Rutland City, Shelburne, South Burlington, Springfield, St.

Albans City, Swanton, Underhill, Vergennes, Waitsfield, Waterbury, Williston, Wilmington, and Winooski. This act also provides State funding for some of Local Motion's operation costs to run the Bike Ferry on the Colchester Causeway, which is part of the Island Line Trail; funding for the small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year; and funding for bicycle and pedestrian education activities being conducted through a grant to Local Motion.

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of \$5,567,868.00, including local funds, which will fund 22 transportation alternatives construction projects and 20 transportation alternatives design, right-of-way, or design and right-of-way projects. Of these 42 projects, seven involve environmental mitigation related to clean water, stormwater, or both clean water and stormwater concerns, and nine involve bicycle and pedestrian facilities. Projects are funded in Bennington, Bridgewater, Bridport, Burlington, Castleton, Chester, Colchester, Derby, Duxbury, East Montpelier, Enosburg, Essex, Essex Junction, Fair Haven, Fairfax, Franklin, Granville, Hartford, Hyde Park, Jericho, Montgomery, Newfane, Norwich, Pittsford, Proctor, Rutland Town, South Burlington, St. Albans City, St. Johnsbury, Vergennes, Warren, Wilmington, and Winooski.

(4) Public Transit Program.

(A) Sec. 31 of this act expresses the General Assembly's intent that all public transit, both rural and urban, be operated on a zero-fare basis in fiscal year 2022, as practicable, with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act); the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260; and the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA).

(B) Sec. 32 of this act requires the Agency to review and implement coordinated intermodal connections, to the extent practicable, to ensure efficient and accessible intermodal transportation opportunities in Vermont and support the cross promotion of intermodal connections.

(C) Sec. 34 of this act requires the Agency to prepare a long-range plan that outlines the costs, timeline, training, maintenance, and operational actions required to move to a fully electric public transportation fleet.

(D) This act also authorizes \$45,821,522.00 in funding for public transit uses throughout the State, which is an 11.1 percent increase over fiscal year 2021 levels and a 24.4 percent increase over fiscal year 2020 levels. Included in the authorization are:

(i) Go! Vermont, with an authorization of \$793,400.00. This authorization supports the promotion and use of carpools and vanpools.

(ii) Vermont Kidney Association Grant, with an authorization of \$50,000.00. This authorization supports the transit needs of Vermonters in need of dialysis services.

(iii) Opioid Treatment Pilot, with an authorization of \$84,064.00. This authorization supports the transit needs of Vermonters in need of opioid treatment services.

(5) Rail Program. This act authorizes \$36,780,019.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including modifications to the Burlington Vermont Rail Systems railyard to accommodate overnight servicing to facilitate New York City–Burlington rail service.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 25 PHEVs and two BEVs in the State Vehicle Fleet. In fiscal year 2022, the Department of Buildings and General Services expects to add 12 additional PHEVs and eight additional BEVs to the fleet.

(7) Electric vehicle supply equipment. In furtherance of the State’s goal to increase the presence of EVSE in Vermont:

(A) Sec. 29 of this act authorizes up to \$1,000,000.00 to the Interagency EVSE Grant Program for a pilot program for EVSE at multi-unit affordable housing and multi-unit dwellings owned by a nonprofit; and

(B) Sec. 30 of this act sets a State goal to have a level 3 EVSE charging port available to the public within five miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State and 50 miles of another level 3 EVSE charging port available to the public along a State highway and requires the annual filing of an up-to-date map showing the locations of all level 3 EVSE available to the public within the State with the House and Senate Committees on Transportation until this goal is met.

(8) Vehicle incentive programs and expansion of the PEV market.

(A) Incentive Program for New PEVs and partnership with Drive Electric Vermont. Sec. 17 of this act authorizes:

(i) up to an additional \$250,000.00 for the Agency to continue and expand the Agency’s public-private partnership with Drive Electric Vermont to support the expansion of the PEV market in the State; and

(ii) at least \$3,000,000.00 for PEV purchase and lease incentives under the Incentive Program for New PEVs, which is the State’s program to incentivize the purchase and lease of new PEVs, and capped administrative costs.

(B) MileageSmart. Sec. 20 of this act authorizes up to \$1,250,000.00 for purchase incentives under MileageSmart, which is the State's used high-fuel-efficiency vehicle incentive program, and capped administrative costs.

(C) Emissions repairs. Sec. 25 of this act authorizes up to \$375,000.00 for emissions repair vouchers and capped startup and administrative costs.

(D) Replace Your Ride Program. Sec. 27 of this act creates a new program to be known as the Replace Your Ride Program, which will be the State's program to incentivize Vermonters to remove older low-efficiency vehicles from operation and switch to modes of transportation that produce fewer greenhouse gas emissions, and authorizes up to \$1,500,000.00 for incentives under the Program and capped startup and administrative costs.

(E) Electric bicycle incentives. Sec. 28 of this act authorizes up to \$50,000.00 for \$200.00 incentives for the purchase of an electric bicycle.

(9) PEV rate design. Sec. 33 of this act requires the State's electric distribution utilities to offer PEV rates for public and private EVSE not later than June 30, 2024.

(10) Improvements to high-use corridors. Sec. 39 of this act requires the Agency to continue to improve highways as required under statute in order to enhance safety and accessibility on highways with a particular focus on high-use corridors identified in the On-Road Bicycle Plan prepared in April 2016 or a subsequent update.

(11) Transportation equity framework. Sec. 41 of this act requires the Agency, in consultation with the State's 11 Regional Planning Commissions (PRCs), to complete and report back on a comprehensive analysis of the State's existing transportation programs and develop a recommendation on a transportation equity framework that can be used to advance mobility equity, which is a transportation system that increases access to mobility options, reduces air pollution, and enhances economic opportunity for Vermonters in communities that have been underserved by the State's transportation system. As part of this analysis, the RPCs are required to engage in a targeted public outreach process.

* * * Highway Maintenance * * *

Sec. 3. HIGHWAY MAINTENANCE

Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Maintenance, spending is amended as follows:

<u>FY22</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Personal	45,339,790	45,339,790	0
Services			
Operating	57,902,709	57,902,709	0
Expenses			
Grants	277,000	277,000	0
Total	103,519,499	103,519,499	0
<u>Sources of funds</u>			
State	92,516,712	87,191,712	-5,325,000
Federal	10,902,787	16,227,787	5,325,000
Interdepartmental			
Transfer	100,000	100,000	0
Total	103,519,499	103,519,499	0

* * * Bridge 61; Program Development; Town Highway Bridges * * *

Sec. 4. BRIDGE 61 IN SPRINGFIELD, VT

(a) Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program, the following project is moved from Program Development to Town Highway Bridges: Springfield BF 0134(49).

(b) Authorized spending for Springfield BF 0134(49) is not modified in any way.

* * * DMV IT System Replacement * * *

Sec. 5. DMV IT SYSTEM REPLACEMENT

(a) The following project is added to the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for the Department of Motor Vehicles: DMV IT System Replacement.

(b) Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for the Department of Motor Vehicles, spending authority for the DMV IT System Replacement Project is authorized as follows:

<u>FY22</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Operating	0	24,500,000	24,500,000
Expenses			
Total	0	24,500,000	24,500,000
<u>Sources of funds</u>			
Federal	0	24,500,000	24,500,000
Total	0	24,500,000	24,500,000

(c) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, any amount of the appropriation for the

DMV IT System Replacement Project remaining unexpended on June 30, 2022 shall be carried forward and designated for expenditure on the DMV IT System Replacement Project in the subsequent fiscal year.

* * * Roadway Projects; Phosphorus Control Planning * * *

Sec. 6. ROADWAY PROJECTS; STATEWIDE PHOSPHORUS
CONTROL PLANNING

(a) The following project is added to the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Roadway: Statewide PCP().

(b) Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Roadway, spending authority for the Statewide PCP() Project is authorized as follows:

<u>FY22</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
PE	0	2,250,000	2,250,000
ROW	0	150,000	150,000
Construction	0	600,000	600,000
Total	0	3,000,000	3,000,000
<u>Sources of funds</u>			
Federal	0	3,000,000	3,000,000
Total	0	3,000,000	3,000,000

(c) Notwithstanding any other provision of law and subject to the approval of the Secretary of Administration, any amount of the appropriation for the Statewide PCP() Project remaining unexpended on June 30, 2022 shall be carried forward and designated for expenditure on the Statewide PCP() Project in the subsequent fiscal year.

* * * Municipal Mitigation Assistance Program * * *

Sec. 7. MUNICIPAL MITIGATION ASSISTANCE PROGRAM

Within the Agency of Transportation's Proposed Fiscal Year 2022 Transportation Program for Municipal Mitigation Assistance Program, spending is amended as follows:

<u>FY22</u>	<u>As Proposed</u>	<u>As Amended</u>	<u>Change</u>
Operating Expenses	265,000	265,000	0
Grants	5,845,000	6,345,000	500,000
Total	6,110,000	6,610,000	500,000
<u>Sources of funds</u>			
State	705,000	705,000	0
Federal	1,428,000	1,928,000	500,000

Other	3,977,000	3,977,000	0
Total	6,110,000	6,610,000	500,000

* * * New Haven Train Depot * * *

Sec. 8. NEW HAVEN TRAIN DEPOT

In fiscal year 2022, the Agency is authorized to spend up to \$400,000.00 in one-time Transportation Fund monies to provide a grant to the Town of New Haven to cover a portion of the costs associated with relocating the New Haven Train Depot currently located at the junction of Routes 7 and 17.

* * * Repeal of U.S. Route 4 Permit * * *

Sec. 9. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly not to repeal 23 V.S.A. § 1432(c), pursuant to Secs. 10 and 42(b) of this act, until the Agency of Transportation:

(1) works with the Town of Woodstock to identify safety concerns related to tractor trailers traveling through the Town on U.S. Route 4; and

(2) incorporates improvements it determines, in its sole authority, are feasible within the town highway right-of-way and scope of work for Woodstock NH PC21(5) within the Agency's Proposed Fiscal Year 2022 Transportation Program for Program Development—Paving.

(b) The project identified as Woodstock NH PC21(5) is expected to be completed during the summer 2021 construction season and there is no projected fiscal year 2023 funding for the project included in the Proposed Fiscal Year 2022 Transportation Program, so having the repeal of 23 V.S.A. § 1432(c) be effective on July 1, 2022 should provide sufficient time for the Agency to work with the Town to design and complete the project identified as Woodstock NH PC21(5) and the Town to make any additional improvements that it deems necessary.

Sec. 10. 23 V.S.A. § 1432(c) is amended to read:

~~(c) Operation on U.S. Route 4. Notwithstanding any other law to the contrary, vehicles with a trailer or semitrailer that are longer than 68 feet but not longer than 75 feet may be operated with a single or multiple trip overlength permit issued at no cost by the Department of Motor Vehicles or, for a fee, by an entity authorized in subsection 1400(d) of this title on U.S. Route 4 from the New Hampshire state line to the junction of VT Route 100 south, provided the distance from the kingpin of the semitrailer to the center of the rearmost axle group is not greater than 41 feet. [Repealed.]~~

* * * Town Highway Aid * * *

Sec. 11. TOWN HIGHWAY AID

(a) Notwithstanding 19 V.S.A. § 306(a), the fiscal year 2022 budget increases the annual appropriation for aid to town highways by \$3,000,000.00 in one-time Transportation Fund monies to a total of \$30,105,769.00, which shall be distributed to municipalities in the same apportionments and for the same purposes as prescribed under 19 V.S.A. § 306(a)(3).

(b) The additional \$3,000,000.00 in one-time Transportation Fund monies shall not be included in any subsequent calculations for the annual appropriation for aid to town highways pursuant to 19 V.S.A. § 306(a).

* * * Federal Infrastructure Funding * * *

Sec. 12. FEDERAL INFRASTRUCTURE FUNDING

(a) Notwithstanding Sec. 1 of this act; 2020 Acts and Resolves No. 121, Sec. 1; 19 V.S.A. § 10g(n); and 32 V.S.A. § 706, if a federal infrastructure bill or other federal legislation that provides for infrastructure funding is enacted that provides Vermont with additional federal funding for transportation-related projects, the Secretary, with approval from the Joint Transportation Oversight Committee pursuant to subdivision (c)(2) of this section, is authorized to exceed federal monies spending authority in the Fiscal Year 2021 and Fiscal Year 2022 Transportation Programs and to obligate and expend federal monies and up to \$2,000,000.00 in State Transportation Fund monies on development and evaluation for additional projects that meet federal eligibility and readiness criteria and have been evaluated through the Agency's prioritization process but are not in the Fiscal Year 2021 or Fiscal Year 2022 Transportation Program.

(b) Nothing in subsection (a) of this section shall be construed to authorize the Secretary to obligate or expend:

(1) State TIB funds above amounts authorized in the Fiscal Year 2021 or Fiscal Year 2022 Transportation Program; or

(2) State Transportation Fund monies if the Agency does not:

(A) expect to accept and obligate federal monies pursuant to subsection (a) of this section in an amount sufficient to cover the additional expenditure of State Transportation Fund monies; and

(B) expect the projects for which State Transportation Fund monies are used to eventually be eligible for funding entirely through federal monies.

(c)(1) The Agency shall promptly report the obligation or expenditure of monies under the authority of this section to the House and Senate Committees

on Transportation and to the Joint Fiscal Office while the General Assembly is in session.

(2)(A) Consistent with 19 V.S.A. § 12b(c), the Agency shall promptly report any changes in the availability of federal funds and the anticipated obligation or expenditure of monies under the authority of this section to the Joint Fiscal Office, the Joint Fiscal Committee, and the Joint Transportation Oversight Committee.

(B) If the Joint Transportation Oversight Committee disapproves of the anticipated obligation or expenditure of monies under the authority of this section, it shall provide notice of that disapproval, and an explanation of the basis for the disapproval, to the Agency within 30 calendar days following receipt of the report of the anticipated expenditure.

(C) If the Joint Transportation Oversight Committee disapproves of an anticipated obligation or expenditure of monies under subdivision (B) of this subdivision (2), the Agency may revise and resubmit for further consideration.

(D) If the Joint Transportation Oversight Committee does not disapprove of the anticipated obligation or expenditure of monies under the authority of this section within 30 calendar days of receipt of the report of the anticipated obligation or expenditure or receipt of a revised submittal, then the anticipated obligation or expenditure is deemed approved.

(d) Subsections (a) and (b) of this section shall continue in effect until February 1, 2022.

* * * Inclusion of Maintenance for the Lamoille Valley Rail Trail in the Annual Proposed Transportation Program * * *

Sec. 13. 19 V.S.A. § 10g(p) is added to read:

(p) The Agency shall include the annual maintenance required for the Lamoille Valley Rail Trail (LVRT), running from Swanton to St. Johnsbury, in the Transportation Program it presents to the General Assembly under subsection (a) of this section. The proposed authorization for the maintenance of the LVRT shall be sufficient to cover:

(1) maintenance and repair or replacement of any bridges along the LVRT;

(2) maintenance and repair of the fencing along the LVRT and any leased lines;

(3) maintenance and repair of the stormwater systems for the LVRT;

(4) any large-scale surface maintenance required due to dangerous conditions along the LVRT or compromise of the rail bed of the LVRT, or both;

(5) resolution of any unauthorized encroachments related to the rail bed, but not the recreational use of the LVRT; and

(6) any other maintenance obligations required of the Agency under a memorandum of understanding entered into regarding the maintenance of the LVRT.

* * * Town Highway Structures and

Class 2 Town Highway Roadway Programs * * *

* * * Fiscal Year 2021 * * *

Sec. 14. TOWN HIGHWAY STRUCTURES AND CLASS 2 TOWN
HIGHWAY ROADWAY PROGRAMS IN FISCAL YEAR 2021

Notwithstanding any other provision of law, in fiscal year 2022, the Agency is authorized to reimburse, subsequent to performance of the work, municipalities for projects awarded a grant under the Town Highway Structures and Class 2 Town Highway Roadway Programs for costs incurred during fiscal year 2021.

* * * Minimum Total Grant Awards; Maximum Grant Award * * *

Sec. 15. 19 V.S.A. § 306 is amended to read:

§ 306. APPROPRIATION; STATE AID FOR TOWN HIGHWAYS

* * *

(e) State aid for town highway structures.

(1) There shall be an annual appropriation for grants to municipalities for maintenance (including actions to extend life expectancy) and for construction of bridges and culverts; for maintenance and construction of other structures, including causeways and retaining walls, intended to preserve the integrity of the traveled portion of class 1, 2, and 3 town highways; and for alternatives that eliminate the need for a bridge, culvert, or other structure, such as the construction or reconstruction of a highway, the purchase of parcels of land that would be landlocked by closure of a bridge, the payment of damages for loss of highway access, and the substitution of other means of access.

(2) Each fiscal year, the Agency shall approve qualifying projects with a total estimated State share cost of ~~\$5,833,500.00~~ \$7,200,000.00 at a minimum as new grants. The Agency's proposed appropriation for the Program shall

take into account the estimated amount of qualifying invoices submitted to the Agency with respect to project grants approved in prior years but not yet completed as well as with respect to new project grants to be approved in the fiscal year. In a given fiscal year, should expenditures in the Town Highway Structures Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects.

* * *

(h) Class 2 Town Highway Roadway Program. There shall be an annual appropriation for grants to municipalities for resurfacing, rehabilitation, or reconstruction of paved or unpaved class 2 town highways. However, municipalities that have no State highways or class 1 town highways within their borders may use the grants for such activities with respect to both class 2 and class 3 town highways. Each fiscal year, the Agency shall approve qualifying projects with a total estimated State share cost of ~~\$7,648,750.00~~ \$8,600,000.00 at a minimum as new grants. The Agency's proposed appropriation for the Program shall take into account the estimated amount of qualifying invoices submitted to the Agency with respect to project grants approved in prior years but not yet completed as well as with respect to new project grants to be approved in the fiscal year. In a given fiscal year, should expenditures in the Class 2 Town Highway Roadway Program exceed the amount appropriated, the Agency shall advise the Governor of the need to request a supplemental appropriation from the General Assembly to fund the additional project cost, provided that the Agency has previously committed to completing those projects. Funds received as grants for State aid under the Class 2 Town Highway Roadway Program may be used by a municipality to satisfy a portion of the matching requirements for federal earmarks, subject to subsection 309b(c) of this title.

* * *

Sec. 16. 19 V.S.A. § 309b is amended to read:

§ 309b. LOCAL MATCH; CERTAIN TOWN HIGHWAY PROGRAMS

(a) Notwithstanding subsection 309a(a) of this title, grants provided to towns under the town highway structures program shall be matched by local funds sufficient to cover 20 percent of the project costs, unless the town has adopted road and bridge standards, has completed a network inventory, and has submitted an annual certification of compliance for town road and bridge standards to the ~~secretary~~ Secretary, in which event the local match shall be sufficient to cover 10 percent of the project costs. The ~~secretary~~ Secretary

may adopt rules to implement the town highway structures program. Town highway structures projects receiving funds pursuant to this subsection shall be the responsibility of the applicant municipality.

(b) Notwithstanding subsection 309a(a) of this title, grants provided to towns under the class 2 town highway roadway program shall be matched by local funds sufficient to cover 30 percent of the project costs, unless the town has adopted road and bridge standards, has completed a network inventory, and has submitted an annual certification of compliance for town road and bridge standards to the ~~secretary~~ Secretary, in which event the local match shall be sufficient to cover 20 percent of the project costs. The ~~secretary~~ Secretary may adopt rules to implement the class 2 town highway roadway program. Class 2 town highway roadway projects receiving funds pursuant to this subsection shall be the responsibility of the applicant municipality, and a municipality shall not receive a grant in excess of ~~\$175,000.00~~ \$200,000.00.

* * *

* * * One-Time Transportation Fund Monies Authorizations for
Electrification of the Transportation Sector * * *

* * * Incentive Program for New PEVs; Partnership with Drive Electric * * *

Sec. 17. INCENTIVE PROGRAM FOR NEW PEVS; PARTNERSHIP WITH
DRIVE ELECTRIC VERMONT

(a) The Agency is authorized to spend up to \$3,250,000.00 in one-time Transportation Fund monies in fiscal years 2021 and 2022 combined on the Incentive Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and its partnership with Drive Electric Vermont with:

(1) Up to \$250,000.00 of that \$3,250,000.00 available in fiscal year 2022 to continue and expand the Agency's public-private partnership with Drive Electric Vermont to support the expansion of the PEV market in the State.

(2) At least \$3,000,000.00 of that \$3,250,000.00 for PEV purchase and lease incentives and administrative costs as allowed under subsection (b) of this section. If less than \$250,000.00 is expended on the public-private partnership with Drive Electric Vermont under subdivision (1) of this subsection, then the balance of that \$250,000.00 shall only be authorized for additional PEV purchase and lease incentives and administrative costs as allowed under subsection (b) of this section.

(b) The Agency shall use not more than 10 percent of the authorization under subdivision (a)(2) of this section for costs associated with the administration of the Program.

Sec. 18. 2019 Acts and Resolves No. 59, Sec. 34(a)(4), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(4) ~~The Agency shall administer the program described in subsection (b) of this section through no-cost contracts with the State's electric distribution utilities. [Repealed.]~~

Sec. 19. 2019 Acts and Resolves No. 59, Sec. 34(b), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(b) Electric vehicle incentive program. ~~A new PEV purchase and lease~~ An incentive program for Vermont residents to purchase and lease new PEVs shall structure PEV purchase and lease incentive payments by income to help Vermonters benefit from electric driving, including Vermont's most vulnerable. The program shall be known as the ~~New PEV~~ Incentive Program for New PEVs. Specifically, the ~~New PEV~~ Incentive Program for New PEVs shall:

* * *

(2) provide not more than one incentive of \$1,500.00 for a PHEV or \$2,500.00 for a BEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single or head of household with an adjusted gross income under the laws of the United States greater than \$50,000.00 and at or below \$100,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States greater than ~~\$50,000.00~~ \$75,000.00 and at or below \$125,000.00;

(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States greater than ~~\$50,000.00~~ \$75,000.00 and at or below \$125,000.00; or

(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States greater than \$50,000.00 and at or below \$100,000.00;

(3) provide not more than one incentive of \$3,000.00 for a PHEV or \$4,000.00 for a BEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single, or head of household, or surviving spouse with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$75,000.00;

(B)(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below \$50,000.00 \$75,000.00; or

(C)(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(4) provide not more than five incentives of either \$3,000.00 for a PHEV or \$4,000.00 for a BEV, or a combination thereof, in fiscal year 2022 to a tax-exempt organization incorporated in the State for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership;

(4)(5) apply to manufactured PEVs with a Base Manufacturer's Suggested Retail Price (MSRP) of \$40,000.00 or less; and

(5) provide not less than \$1,100,000.00, of the initial \$2,000,000.00 authorization, and up to an additional \$2,050,000.00 in fiscal year 2021 in PEV purchase and lease incentives

(6) provide incentives that may be in addition to any other available incentives, including through another program funded by the State, provided that not more than one incentive under the Incentive Program for New PEVs is used for the purchase or lease of any one PEV.

* * * MileageSmart * * *

Sec. 20. MILEAGESMART

The Agency is authorized to spend up to \$750,000.00 in one-time Transportation Fund monies in fiscal years 2021 and 2022 combined and up to \$500,000.00 in one-time General Fund monies in fiscal year 2022 on MileageSmart, which was established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, with up to 10 percent of the total amount that is distributed in incentives in fiscal year 2022, including incentive funding authorized by this section and incentive funding carried over from prior fiscal years pursuant to

2019 Acts and Resolves No. 59, Sec. 34, as amended, available for costs associated with administering MileageSmart.

Sec. 21. 2019 Acts and Resolves No. 59, Sec. 34(c)(1), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(1) The high fuel efficiency vehicle incentive program shall be known as MileageSmart and shall:

* * *

(B) provide point-of-sale vouchers through the State's network of community action agencies and ~~base set income~~ eligibility for the voucher on the same criteria used for income qualification for weatherization services through the Weatherization Program at 80 percent of the State median income; and

* * *

* * * Emissions Repair Program * * *

Sec. 22. 2019 Acts and Resolves No. 59, Sec. 34(a)(3), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(3) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the programs. Up to \$150,000.00 of program funding may be set aside for this purpose for the ~~programs~~ program described in subsection (c) of this section in fiscal year 2020 and \$50,000.00 of program funding shall be set aside for this purpose for the ~~programs~~ program described in ~~subdivision~~ subsection (c)(1) of this section in fiscal year 2021.

Sec. 23. 2019 Acts and Resolves No. 59, Sec. 34(a)(5), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(5) The Agency shall annually evaluate the programs to gauge effectiveness and submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Energy and Technology, and the Senate Committee on Finance on or before the 31st day of January in each year following a year that an incentive ~~or repair~~ voucher was provided through one of the programs. Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive or repair voucher is provided through one of the

programs unless the General Assembly takes specific action to repeal the report requirement.

Sec. 24. 2019 Acts and Resolves No. 59, Sec. 34(c), as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, and 2021 Acts and Resolves No. 3, Sec. 56, is further amended to read:

(c) ~~High fuel efficiency vehicle incentive and emissions repair programs program. Used A used high fuel efficiency vehicle purchase incentive and emissions repair programs program~~ for Vermont residents shall structure high fuel efficiency purchase incentive payments ~~and emissions repair vouchers~~ by income to help Vermonters benefit from more efficient driving, including Vermont's most vulnerable. Not less than \$750,000.00 shall be provided in point-of-sale ~~and point-of-repair vouchers~~.

* * *

(2) ~~The emissions repair program shall:~~

~~(A) apply to repairs of certain vehicles that failed the on board diagnostic (OBD) systems inspection;~~

~~(B) provide point-of-repair vouchers through the State's network of community action agencies and base eligibility for voucher on the same criteria used for income qualification for Low Income Home Energy Assistance Program (LIHEAP) through the State's Economic Services Division within the Department for Children and Families; and~~

~~(C) provide a point-of-repair voucher to repair a motor vehicle that was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made provided that the point-of-repair voucher is commensurate with the fair market value of the vehicle to be repaired and does not exceed \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles with a fair market value of at least \$5,000.00. [Repealed.]~~

Sec. 25. EMISSIONS REPAIR PROGRAM

(a) Program creation. The Department of Environmental Conservation, in consultation with the Agency of Transportation, shall establish and administer an emissions repair program that shall:

(1) apply to repairs of certain vehicles that failed the on board diagnostic (OBD) systems inspection;

(2) provide point-of-repair vouchers and base eligibility for vouchers on the same criteria used for income qualification for the Low Income Home Energy Assistance Program (LIHEAP) through the State's Economic Services Division within the Department for Children and Families; and

(3) provide a point-of-repair voucher to repair a motor vehicle that was ready for testing, failed the OBD systems inspection, requires repairs that are not under warranty, and will be able to pass the State's vehicle inspection once the repairs are made provided that the point-of-repair voucher is commensurate with the fair market value of the vehicle to be repaired and does not exceed \$2,500.00, with \$2,500.00 vouchers only being available to repair vehicles with a fair market value of at least \$5,000.00.

(b) Authorization and transfer. In fiscal year 2022, the Agency of Transportation is authorized to transfer \$375,000.00 in one-time Transportation Fund monies to the Department of Environmental Conservation for the emissions repair program established under this section, with up to \$50,000.00 of that \$375,000.00 transfer available for start-up costs and outreach education and up to \$125,000.00 of that \$375,000.00 transfer available for costs associated with developing and administering the emissions repair program.

* * * Repeal of Emissions Inspections Waiver * * *

Sec. 26. REPEALS

(a) 2018 Acts and Resolves No. 206, Sec. 23(e) (establishment of emissions inspections waiver) is repealed on January 1, 2023.

(b) 2018 Acts and Resolves No. 158, Sec. 42(e) (establishment of emissions inspections waiver) is repealed on January 1, 2023.

* * * Replace Your Ride Program * * *

Sec. 27. REPLACE YOUR RIDE PROGRAM

(a) Program creation. The Agency of Transportation, in consultation with the Departments of Environmental Conservation and of Public Service, shall expand upon the vehicle incentive programs established under 2019 Acts and Resolves No. 59, Sec. 34, as amended, to provide additional incentives for Vermonters with low income through a program to be known as the Replace Your Ride Program.

(b) Incentive amount. The Replace Your Ride Program shall provide up to a \$3,000.00 incentive, which may be in addition to any other available incentives, including through a program funded by the State, to individuals who qualify based on both income and the removal of an internal combustion vehicle. Only one incentive per individual is available under the Replace Your Ride Program and incentives shall be provided on a first-come, first-served basis once the Replace Your Ride Program is operational.

(c) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.

(1) Income eligibility. The following applicants meet the income eligibility requirement:

(A) an individual domiciled in the State whose federal income tax filing status is single or head of household, with an adjusted gross income under the laws of the United States at or below \$50,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is surviving spouse with an adjusted gross income under the laws of the United States at or below \$75,000.00;

(C) an individual who is part of a married couple with at least one spouse domiciled in the State whose federal income tax filing status is married filing jointly with an adjusted gross income under the laws of the United States at or below \$75,000.00;

(D) an individual who is part of a married couple with at least one spouse domiciled in the State and at least one spouse whose federal income tax filing status is married filing separately with an adjusted gross income under the laws of the United States at or below \$50,000.00; or

(E) an individual who qualifies for an incentive under MileageSmart, which is set at 80 percent of the State median income.

(2) Vehicle removal.

(A) In order for an individual to qualify for an incentive under the Replace Your Ride Program, the individual must remove an older low-efficiency vehicle from operation and switch to a mode of transportation that produces fewer greenhouse gas emissions. The entity that administers the Replace Your Ride Program, in conjunction with the Agency of Transportation, shall establish Program guidelines that specifically provide for how someone can show that the vehicle removal eligibility requirement has been, or will be, met.

(B) For purposes of the Replace Your Ride Program:

(i) An “older low-efficiency vehicle”:

(I) is currently registered, and has been for two years prior to the date of application, with the Vermont Department of Motor Vehicles;

(II) is currently titled in the name of the applicant and has been for at least one year prior to the date of application;

(III) has a gross vehicle weight rating of 10,000 pounds or less;

(IV) is at least 10 model years old;

(V) has an internal combustion engine; and

(VI) passed the annual inspection required under 23 V.S.A. § 1222 within the prior year.

(ii) Removing the older low-efficiency vehicle from operation must be done by disabling the vehicle's engine from further use and fully dismantling the vehicle for either donation to a nonprofit organization to be used for parts or destruction.

(iii) The following qualify as a switch to a mode of transportation that produces fewer greenhouse gas emissions:

(I) purchasing or leasing a new or used PEV;

(II) purchasing a new or used bicycle, electric bicycle, or motorcycle that is fully electric, and the necessary safety equipment; and

(III) utilizing shared-mobility services or privately operated vehicles for hire.

(d) Authorization. In fiscal year 2022, the Agency is authorized to spend up to \$1,500,000.00 in one-time Transportation Fund monies on the Replace Your Ride Program established under this section, with up to \$300,000.00 of that \$1,500,000.00 available for startup costs, outreach education, and costs associated with developing and administering the Replace Your Ride Program.

* * * Electric Bicycle Incentives * * *

Sec. 28. ELECTRIC BICYCLE INCENTIVES

(a) Implementation. The Agency of Transportation, in consultation with Vermont electric distribution utilities, shall expand upon the vehicle incentive programs established under 2019 Acts and Resolves No. 59, Sec. 34, as amended, to provide a \$200.00 incentive to 250 individuals who purchase a new electric bicycle. Specifically, the Program shall:

(1) distribute \$200.00 incentives on a first-come, first-served basis after the Agency announces that incentives are available;

(2) apply to new electric bicycles with any Manufacturer's Suggested Retail Price (MSRP); and

(3) be available to all Vermonters who self-certify as to meeting any incentive tier under the income eligibility criteria for the Incentive Program for New PEVs.

(b) Authorization. In fiscal year 2022, the Agency is authorized to spend up to \$50,000.00 in one-time Transportation Fund monies on the electric bicycle incentives.

* * * EVSE Grant Program * * *

Sec. 29. GRANT PROGRAMS FOR LEVEL 2 CHARGERS IN MULTI-UNIT DWELLINGS; REPORT

(a) As used in this section:

(1) “Area median income” means the county or Metropolitan Statistical Area median income published by the federal Department of Housing and Urban Development.

(2) “Multi-unit affordable housing” means a multi-unit dwelling where:

(A) at least 50 percent of the units are or will be occupied by households whose income does not exceed 100 percent of the greater of the State or area median income; or

(B) all units are affordable to households earning between 60 and 120 percent of area median income.

(3) “Multi-unit dwelling” means a housing project, such as cooperatives, condominiums, dwellings, or mobile home parks, with 10 or more units constructed or maintained on a tract or tracts of land.

(4) “Multi-unit dwelling owned by a nonprofit” means a multi-unit dwelling owned by a person that has nonprofit status under Section 501(c)(3) of the U.S. Internal Revenue Code, as amended, and is registered as a nonprofit corporation with the Office of the Secretary of State.

(b) The Agency of Transportation shall establish and administer, through a memorandum of understanding with the Department of Housing and Community Development, a pilot program to support the continued buildout of electric vehicle supply equipment at multi-unit affordable housing and multi-unit dwellings owned by a nonprofit and build upon the existing VW EVSE Grant Program that the Department of Housing and Community Development has been administering on behalf of the Department of Environmental Conservation.

(c) In fiscal year 2022, the Agency is authorized to spend up to \$1,000,000.00 in one-time Transportation Fund monies on the pilot program established in this section.

(d) Pilot program funding shall be awarded with consideration of broad geographic distribution as well as service models ranging from restricted private parking to publicly accessible parking so as to examine multiple strategies to increase access to EVSE.

(e) The Department of Housing and Community Development shall consult with an interagency team consisting of the Commissioner of Housing and

Community Development or designee; the Commissioner of Environmental Conservation or designee; the Commissioner of Public Service or designee; and the Agency's Division Director of Policy, Planning, and Intermodal Development or designee regarding the design, award of funding, and administration of this pilot program.

(f) If the Agency of Transportation, in consultation with the interagency team, determines that programmatic funding remains available following the first round of grant awards, then the pilot program shall be opened up and made available to any multi-unit dwelling.

(g) The Department of Housing and Community Development shall file a written report on the outcomes of the pilot program with the House and Senate Committees on Transportation not later than January 15, 2022.

* * * EVSE Network in Vermont * * *

Sec. 30. EVSE NETWORK IN VERMONT; REPORT OF ANNUAL MAP

(a) It shall be the goal of the State to have, as practicable, a level 3 EVSE charging port available to the public within:

(1) five miles of every exit of the Dwight D. Eisenhower National System of Interstate and Defense Highways within the State; and

(2) 50 miles of another level 3 EVSE charging port available to the public along a State highway, as defined in 19 V.S.A. § 1(20).

(b) Notwithstanding 2 V.S.A. § 20(d), the Agency of Transportation shall file an up-to-date map showing the locations of all level 3 EVSE available to the public within the State with the House and Senate Committees on Transportation not later than January 15 each year until the goal identified in subsection (a) of this section is met.

* * * Zero-Fare Public Transit in Fiscal Year 2022 * * *

Sec. 31. ZERO-FARE PUBLIC TRANSIT IN FISCAL YEAR 2022

(a) Urban public transit. It is the intent of the General Assembly that public transit operated by transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5307 in the State shall be operated on a zero-fare basis with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act); the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260; and the American Rescue Plan Act of 2021, Pub. L. No. 117-2, as practicable, during fiscal year 2022.

(b) Rural public transit. It is the intent of the General Assembly that public transit operated by transit agencies that are eligible to receive grant funds pursuant to 49 U.S.C. § 5311 in the State shall be operated on a zero-fare basis

with monies for public transit from the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act) and the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, as practicable, during fiscal year 2022.

* * * Coordinated Intermodal Connections Review * * *

Sec. 32. COORDINATED INTERMODAL CONNECTIONS REVIEW

The Agency, in coordination with public transit, passenger rail, and other transportation service providers, shall review and implement coordinated intermodal connections, to the extent practicable, to ensure efficient and accessible intermodal transportation opportunities in Vermont. The Agency shall also work with transportation service providers to support the cross promotion of intermodal connections.

* * * PEV Electric Distribution Utility Rate Design * * *

Sec. 33. PEV ELECTRIC DISTRIBUTION UTILITY RATE DESIGN

(a) This section serves to encourage efficient integration of PEVs and EVSE into the electric system and the timely adoption of PEVs and public charging through managed loads or time-differentiated price signals.

(b) Unless an extension is granted pursuant to subsection (e) of this section, all State electric distribution utilities shall offer PEV rates, which may include rates for electricity sales to an entire customer premises, for public and private EVSE not later than June 30, 2024. These rates shall, pursuant to 30 V.S.A. § 225, be filed for review and approval by the Public Utility Commission and encourage:

(1) efficient use of PEV loads consistent with objectives of least-cost integrated planning, set out in 30 V.S.A. § 218c, and 30 V.S.A. § 202(b) and (c);

(2) participation in the PEV rates;

(3) travel by PEV relative to available alternatives; and

(4) greater adoption of PEVs.

(c) PEV rates approved by the Public Utility Commission under subdivisions (1) and (2) of this subsection comply with subsection (b) of this section.

(1) The Public Utility Commission shall approve PEV rates that it finds, at a minimum:

(A) support greater adoption of PEVs;

(B) adequately compensate PEV operators and owners of EVSE available to the public for the value of grid-related services, including costs avoided through peak management;

(C) adequately compensate the electric distribution utility and its customers for the additional costs that are directly attributable to the delivery of electricity through a PEV rate;

(D) include a reasonable contribution to historic or embedded costs required to meet the overall cost of service;

(E) do not discourage EVSE available to the public; and

(F) do not have an adverse impact to ratepayers not utilizing the PEV rate.

(2) The Public Utility Commission may approve PEV rates that utilize direct load control, third-party managed load control, static or dynamic time-varying rates, or other innovative practices that accomplish the goals set forth in subsection (a) of this section.

(d) Electric distribution utilities with PEV rates approved by the Public Utility Commission prior to July 1, 2021 currently implemented as tariffs by those electric distribution utilities are exempt from subsection (b) of this section for the relevant rate classes, market segments, or customer segments in which the PEV rates are offered.

(e) The Public Utility Commission may grant a petitioning electric distribution utility an extension of the June 30, 2024 implementation deadline. An extension may only be granted in response to a petition if the Public Utility Commission finds that the electric distribution utility's inability to meet the June 30, 2024 implementation deadline is due to a technical inability to implement a PEV rate, adverse economic impacts to ratepayers that would result from the implementation of a PEV rate, or other good cause demonstrated. The length of the extension shall be directly related to the demonstrated need for the extension.

(f) The Public Utility Commission, in consultation with the Department of Public Service and State electric distribution utilities, shall file written reports with the House Committees on Energy and Technology and on Transportation and the Senate Committees on Finance, on Natural Resources and Energy, and on Transportation that address the goals delineated in subdivisions (c)(1)(A)–(F) of this section, as applicable, and any progress barriers towards the goals contained in subsections (a) and (b) of this section not later than January 15, 2022, January 15, 2023, January 15, 2024, and January 15, 2025.

* * * Public Transportation Electrification Plan * * *

Sec. 34. PUBLIC TRANSPORTATION ELECTRIFICATION PLAN

(a) The Agency of Transportation, in consultation with the State's public transit providers, shall prepare a long-range plan that outlines the costs, timeline, training, maintenance, and operational actions required to move to a fully electrified public transportation fleet.

(b) The Agency shall file the long-range plan required under subsection (a) of this section with the House and Senate Committees on Transportation not later than January 31, 2022.

* * * Airport and Rail Signs; Banners * * *

Sec. 35. 10 V.S.A. § 494 is amended to read:

§ 494. EXEMPT SIGNS

The following signs are exempt from the requirements of this chapter except as indicated in section 495 of this title:

* * *

(6)(A) Official traffic control signs, including signs on limited access highways, consistent with the Manual on Uniform Traffic Control Devices (MUTCD) adopted under 23 V.S.A. § 1025, directing ~~people~~ persons to:

- (i) other towns;
- (ii) international airports;
- (iii) postsecondary educational institutions;
- (iv) cultural and recreational destination areas;
- (v) nonprofit diploma-granting educational institutions for ~~people~~ persons with disabilities; and
- (vi) official State visitor information centers.

(B) After having considered the six priority categories in subdivision (A) of this subdivision (6), the Travel Information Council may approve installation of a sign for any of the following provided the location is open a minimum of 120 days each year and is located within 15 miles of an interstate highway exit:

- (i) nonprofit museums;
- (ii) cultural and recreational attractions owned by the State or federal government;

- (iii) officially designated scenic byways;
- (iv) park and ride or multimodal centers; and
- (v) fairgrounds or exposition sites.

(C) The Agency of Transportation may approve and erect signs, including signs on limited access highways, consistent with the MUTCD, directing persons to State-owned airports and intercity passenger rail stations located within 25 miles of a limited access highway exit.

(D) Notwithstanding the limitations of this subdivision (6), supplemental guide signs consistent with the MUTCD for the President Calvin Coolidge State Historic Site may be installed at the following highway interchanges:

* * *

~~(D)~~(E) Signs erected under this subdivision (6) shall not exceed a maximum allowable size of 80 square feet.

* * *

(18)(A) A sign that is a banner erected over a highway right-of-way for not more than 21 days if the bottom of the banner is not less than 16 feet 6 inches above the surface of the highway and is securely fastened with breakaway fasteners and the proposed banner has been authorized by the legislative body of the municipality in which it is located.

(B) As used in this subdivision (18), “banner” means a sign that is constructed of soft cloth or fabric or flexible material such as vinyl or plastic cardboard.

* * * Municipal Development Review; Section 1111 Permit Fees * * *

Sec. 36. 24 V.S.A. § 4416 is amended to read:

§ 4416. SITE PLAN REVIEW

* * *

(b) Whenever a proposed site plan involves access to a State highway or other work in the State highway right-of-way such as excavation, grading, paving, or utility installation, the application for site plan approval shall include a letter ~~of intent~~ from the Agency of Transportation confirming that the Agency has reviewed the proposed site plan and ~~is prepared to issue an access permit under 19 V.S.A. § 1111, and setting determined whether a permit is required under 19 V.S.A. § 1111.~~ If the Agency determines that a permit for the proposed site plan is required under 19 V.S.A. § 1111, then the letter from the Agency shall set out any conditions that the Agency proposes to attach to the ~~section 1111~~ permit required under 19 V.S.A. § 1111.

Sec. 37. 24 V.S.A. § 4463(e) is added to read:

(e) Whenever a proposed subdivision is adjacent to a State highway, the application for subdivision approval shall include a letter from the Agency of Transportation confirming that the Agency has reviewed the proposed subdivision and determined whether a permit is required under 19 V.S.A. § 1111. If the Agency determines that a permit for the proposed subdivision is required under 19 V.S.A. § 1111, then the letter from the Agency shall set out any conditions that the Agency proposes to attach to the permit required under 19 V.S.A. § 1111.

Sec. 38. 19 V.S.A. § 1112(b) is amended to read:

(b) The Secretary shall collect the following fees for each application for the following types of permits ~~or permit amendments~~ issued pursuant to section 1111 of this title:

* * *

(6) permit amendments: \$0.00.

* * * Improvement of High-Use Corridor Segments * * *

Sec. 39. IMPROVEMENT OF HIGH-USE CORRIDOR SEGMENTS FOR BICYCLISTS

(a) The Agency of Transportation shall continue to improve highways consistent with 19 V.S.A. § 2310 in order to enhance safety and accessibility on highways, and in particular for high-use corridor segments identified in the On-Road Bicycle Plan prepared in April 2016, or a subsequent update.

(b) The Agency shall consider traffic volumes, the scope of the project, and other factors such as environmental or right-of-way impacts when making improvements.

* * * Work Zone Highway Safety
Automated Traffic Law Enforcement Study and Report * * *

Sec. 40. WORK ZONE HIGHWAY SAFETY AUTOMATED TRAFFIC LAW ENFORCEMENT STUDY AND REPORT

(a) Findings. The General Assembly finds that:

(1) There are times, either because of insufficient staffing or inherent onsite difficulties, where law enforcement personnel cannot practically be utilized in a work zone.

(2) The objectives of utilizing an automated traffic law enforcement system in a work zone are improved work crew safety and reduced traffic crashes resulting from an increased adherence to traffic laws achieved by

effective deterrence of potential violators, which could not be achieved by traditional law enforcement methods.

(3) The use of automated traffic law enforcement systems in work zones is not intended to replace traditional law enforcement personnel, nor is it intended to mitigate problems caused by deficient road design, construction, or maintenance. Rather, it provides deterrence and enforcement at times when and in locations where law enforcement personnel cannot be utilized safely or are needed for other law enforcement activities.

(b) Definitions. As used in this section:

(1) “Automated traffic law enforcement system” means a device with one or more sensors working in conjunction with a speed measuring device to produce recorded images of motor vehicles traveling at more than 10 miles above the speed limit or traveling in violation of another traffic control device, or both.

(2) “Recorded image” means a photograph, microphotograph, electronic image, or electronic video that shows the front or rear of the motor vehicle clearly enough to identify the registration number plate of the motor vehicle or that shows the front of the motor vehicle clearly enough to identify the registration number plate of the motor vehicle and shows the operator of the motor vehicle.

(3) “Traffic control device” means any sign, signal, marking, channelizing, or other device that conforms with the Manual on Uniform Traffic Control Devices, which is the standards for all traffic control signs, signals, and markings within the State pursuant to 23 V.S.A. § 1025, and is used to regulate, warn, or guide traffic and placed on, over, or adjacent to a highway, pedestrian facility, or bicycle path by authority of the State or the municipality with jurisdiction over the highway, pedestrian facility, or bicycle path.

(c) Study. The Agency of Transportation shall, in consultation with at least the Department of Public Safety and the Associated General Contractors of Vermont, study the feasibility of implementing automated traffic law enforcement systems in work zones in Vermont and make specific recommendations on whether to pursue a program that utilizes automated traffic law enforcement systems within work zones in Vermont, with a specific focus on affecting driver behavior. At a minimum, the Agency shall:

(1) research the cost to procure equipment and services to assist in the implementation of a program that utilizes automated traffic law enforcement systems within work zones in Vermont;

(2) research how images are collected, stored, accessed, used, and disposed of; by whom; and under what timeline or timelines when automated traffic law enforcement systems are used to collect a recorded image of a motor vehicle in violation of a traffic control device in a work zone;

(3) make recommendations on how images should be collected, stored, accessed, used, and disposed of; by whom; and under what timeline or timelines if a program that utilizes automated traffic law enforcement systems within work zones in Vermont is implemented; and

(4) define the system components needed to implement a program that utilizes automated traffic law enforcement systems within work zones in Vermont.

(d) Report. On or before January 15, 2022, the Agency shall submit a written report to the House and Senate Committees on Judiciary and on Transportation with its findings and any proposals for implementation.

* * * Transportation Equity Framework * * *

Sec. 41. TRANSPORTATION EQUITY FRAMEWORK; REPORT

(a) The Agency of Transportation, in consultation with the State's 11 Regional Planning Commissions (RPCs), shall undertake a comprehensive analysis of the State's existing transportation programs and develop a recommendation on a transportation equity framework through which the annual Transportation Program, and the Agency's Annual Project Prioritization Process, can be evaluated so as to advance mobility equity, which is a transportation system that increases access to mobility options, reduces air pollution, and enhances economic opportunity for Vermonters in communities that have been underserved by the State's transportation system.

(b) In conducting the analysis required under subsection (a) of this section, the Agency, in coordination with the State's 11 RPCs, shall seek input from individuals who are underserved by the State's current transportation system or who may not have previously been consulted as part of the Agency's planning processes.

(c) In order to aid the Agency in conducting the analysis required under subsection (a) of this section, the State's 11 RPCs shall convene regional meetings focused on achieving equity and inclusion in the transportation planning process. Meeting facilitation shall include identification of and outreach to underrepresented local communities and solicitation of input on the transportation planning process pursuant to the transportation planning efforts required under 19 V.S.A. § 10I.

(d) The Agency shall file a written report with its analysis and a recommendation on a transportation equity framework as required under subsection (a) of this section with the House and Senate Committees on Transportation not later than January 15, 2022.

* * * Effective Dates * * *

Sec. 42. EFFECTIVE DATES

(a) This section and Secs. 12 (federal infrastructure funding), 17 (authorization for the Incentive Program for New PEVs), and 20 (authorization for MileageSmart) shall take effect on passage.

(b) Sec. 10 (repeal of 23 V.S.A. § 1432(c)) shall take effect on July 1, 2022.

(c) Sec. 13 (19 V.S.A. § 10g(p); Lamoille Valley Rail Trail maintenance) shall take effect on July 1, 2021 and apply to Transportation Programs commencing with fiscal year 2023.

(d) All other sections shall take effect on July 1, 2021.

*RICHARD T. MAZZA
ANDREW J. PERCHLIK
THOMAS CHITTENDEN*

Committee on the part of the Senate

*DIANE M. LANPHER
CHARLES "BUTCH" H. SHAW
TIMOTHY R. CORCORAN*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate; Bill Messaged

H. 449.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force.

Was taken up for immediate consideration.

Senator White, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference, to which were referred the disagreeing votes of the two Houses upon House Bill, entitled:

H. 449. An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force.

Respectfully reports that it has met and considered the same and recommends that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 3 V.S.A. chapter 17 is amended to read:

~~CHAPTER 17. VERMONT STATE POLICE AND MOTOR VEHICLE
INSPECTORS' RETIREMENT SYSTEM VERMONT PENSION
INVESTMENT COMMISSION~~

§ 521. DEFINITIONS

As used in this chapter,:

(1) ~~“Committee”~~ “Commission” means the Vermont Pension Investment ~~Committee~~ Commission.

(2) “Financial expert” means an individual with material expertise and experience in institutional fund management, or other significant pension or other relevant financial expertise.

(3) “Independent” means an individual who does not have a direct or indirect material interest in the Plans.

(A) An individual has a direct or indirect material interest in the Plans if:

(i) the individual or the individual’s spouse is a beneficiary of any of the Plans; or

(ii) the individual or the individual’s spouse, parent, child, sibling, or in-law is or has been within the past five years an employee, director, owner

officer, consultant, or manager, or had another material role with an entity servicing the Plans.

(B) An individual is considered an owner of a publicly traded company if the individual owns, directly or indirectly, five percent or more of a class of the company's equity securities registered under the Securities Exchange Act of 1934 (15 U.S.C. § 78 et seq.), as amended.

(4) "Plans" means the Vermont State Teachers' Retirement System, the Vermont State Employees' Retirement System, and the Vermont Municipal Employees' Retirement System pursuant to section 472 of this title, 16 V.S.A. § 1943, and 24 V.S.A. § 5063.

§ 522. VERMONT PENSION INVESTMENT COMMITTEE
COMMISSION

(a) Members. There is created the Vermont Pension Investment Committee Commission, an independent commission, to comprise ~~seven~~ nine members as follows:

(1) one member and one alternate, who may or may not be trustees of the Board of the Vermont State Employees' Retirement System, elected by the employee and retiree members of that board the Board of the Vermont State Employees' Retirement System;

(2) one member and one alternate, who may or may not be trustees of the Board of the State Teachers' Retirement System of Vermont, elected by the employee and retiree members of that the Board of the Vermont State Teachers' Retirement System;

(3) one member and one alternate, who may or may not be trustees of the Board of the Vermont Municipal Employees' Retirement System, elected by the municipal employee and municipal official members of that the Board of the Vermont Municipal Employees' Retirement System;

(4) two members and one alternate, who shall each be a financial expert and independent, appointed by the Governor;

(5) the State Treasurer or designee, an ex-officio voting member; and

(6) one member, appointed by the other ~~six~~ voting eight members of the ~~Committee~~ Commission, who shall serve as Chair of the ~~Committee~~ Commission and at the pleasure of the ~~Committee~~ Commission;

(7) one member representing a municipal employer, appointed by the Executive Director of the Vermont League of Cities and Towns; and

(8) one member representing a school employer, appointed by the Vermont School Boards Association.

(b) Training. An authority responsible for electing or appointing a member or alternate shall consider the experience and knowledge of potential members and alternates consistent with the purposes of the Committee, and shall inform potential members and alternates that they shall participate in Members and alternates of the Commission shall be required to participate in onboarding and ongoing periodic training in investments, securities, and fiduciary responsibilities as directed by the Committee Commission. The Commission shall provide an annual report to the respective authorities responsible for electing and appointing members and alternates regarding attendance at Commission meetings and relevant educational programs attended.

(c) Initially, one appointee and the alternate appointee of the Governor shall serve a two-year term, and the second appointee shall serve for a four-year term. Thereafter, the Governor's appointees and alternate appointee shall serve for four-year terms. Initially, the member and alternate chosen by the Vermont Municipal Employees' Retirement Board shall serve for a two-year term, the member and alternate chosen by the Vermont State Teachers' Retirement Board shall serve for a three-year term and the member and alternate chosen by the Vermont State Employees' Retirement Board shall serve for a four-year term. Thereafter, all members and alternates shall serve for four-year terms. Member terms.

(1) Except as provided in subdivision (2) of this section and for the ex-officio members of the Commission, all members and alternates of the Commission shall serve staggered four-year terms. A vacancy created before the expiration of a term shall be filled in the same manner as the original appointment for the unexpired portion of the term. A member or alternate appointed to fill a vacancy created before the expiration of a term shall not be deemed to have served a term for the purpose of this subsection. Members and alternates of the Commission shall be eligible for reappointment and shall serve not more than three terms; provided, however, that a single term served as an alternate shall not be used to calculate a member's total term limit. Members and alternates of the Commission may be removed only for cause. The Commission shall adopt rules pursuant to chapter 25 of this title to define the basis and process for removal.

(2) The Chair shall serve not more than 20 years on the Commission as a chair or Commission member. If the Chair is unable to perform his or her duties, the Commission shall elect an interim chair who shall be a financial expert and independent.

(3) Terms shall end on June 30 with new terms beginning on July 1.

(4) Notwithstanding subdivision (3) of this subsection, members and alternates shall serve until their successors are appointed subject to the term limits provided in this subsection.

(d) Chair and vice chair.

(1)(A) The Chair of the Vermont Pension Investment Committee Commission shall have the financial, investment, leadership, and governance expertise as required by policies adopted by the Commission.

(B) The Chair shall be a nonvoting member, except in the case of a tie vote.

(2) The Vermont Pension Investment Commission shall elect a vice chair from among its members.

~~(e) The Vermont Pension Investment Committee shall elect a vice chair from among its members~~ Eligibility. No legislator who is currently serving in the General Assembly shall serve on the Commission.

(f) Four Meetings.

(1) Five members of the Committee Commission shall constitute a quorum.

(2) If a member is not in attendance, the alternate of that member shall be eligible to act as a member of the Committee Commission during the absence of the member.

(3) Four Five concurring votes shall be necessary for a decision of the Committee Commission at any meeting of the Committee Commission, except that any decision of the Commission relating to setting actuarial assumptions pursuant to subdivision 523(b)(1) of this title shall require six concurring votes. The Committee shall be attached to the Office of the State Treasurer for administrative support, and the expenses of the Committee and the Treasurer's office in support of the Committee shall be paid proportionately from the funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title.

(g) Leave time. Public employee members and alternates shall be granted reasonable leave time by their employers to attend Committee Commission meetings and Committee-related Commission-related educational programs.

~~(h) The Committee shall provide an annual report to the respective authorities responsible for electing and appointing members and alternates regarding attendance at Committee meetings and relevant educational programs attended~~ Compensation and reimbursements. Members and

alternates of the Commission who are not public employees shall be entitled to compensation as set forth in 32 V.S.A. § 1010 and reimbursement for all necessary expenses that they may incur through service on the Commission from the funds of the retirement systems. The Chair of the Commission may be compensated from the funds at a level not to exceed one-third of the salary of the State Treasurer, as determined by the other members of the Commission.

(i) A vacancy of an elected or appointed member or alternate shall be filled for the remainder of the term by the authority responsible for electing or appointing that member or alternate Assistance and expenses.

(1) The Commission shall have the administrative and technical support of the Office of the State Treasurer.

(2) The Commission may collect proportionally from the funds of the three retirement systems and any individual municipalities that have been allowed to invest their retirement funds pursuant to subsection 523(a) of this title, any expenses incurred that are associated with carrying out its duties, and any expenses incurred by the Treasurer's office in support of the Commission.

(3) The Attorney General shall serve as legal advisor to the Commission.

§ 523. VERMONT PENSION INVESTMENT COMMITTEE
COMMISSION; DUTIES

(a) General. The Vermont Pension Investment ~~Committee~~ Commission shall be responsible for the investment of the assets of the ~~State Teachers' Retirement System of Vermont~~ Vermont State Teachers' Retirement System, the Vermont State Employees' Retirement System, and the Vermont Municipal Employees' Retirement System pursuant to section 472 of this title, 16 V.S.A. § 1943, and 24 V.S.A. § 5063. The ~~Committee~~ Commission shall strive to maximize total return on investment, within acceptable levels of risk for public retirement systems, in accordance with the standards of care established by the prudent investor rule under 14A V.S.A. § 902. The ~~Committee~~ Commission may, in its discretion, subject to approval by the Attorney General, also enter into agreements with municipalities administering their own retirement systems to invest retirement funds for those municipal pension plans. The State Treasurer shall serve as the custodian of the funds of all three retirement systems. The ~~Committee~~ Commission may, in its discretion, also enter into agreements with the State Treasurer to invest the State Employees' Postemployment Benefits Trust Fund, established in ~~3 V.S.A. § section~~ section 479a of this title, and the Retired Teachers' Health and Medical Benefits Fund, established in 16 V.S.A. § 1944b.

~~(b) Members and alternates of the Committee who are not public employees shall be entitled to compensation as set forth in 32 V.S.A. § 1010 and reimbursement for all necessary expenses that they may incur through service on the committee from the funds of the retirement systems. The Chair of the Committee may be compensated from the funds at a level not to exceed one-third of the salary of the State Treasurer, as determined by the other members of the Committee Powers and duties. The Commission shall have the following duties:~~

~~(1) Set the following actuarial assumptions:~~

~~(A) the investment rate of return;~~

~~(B) the inflation rate; and~~

~~(C) the smoothing rate method used for the actuarial valuation of assets and returns.~~

~~(2) Not more than 180 days after the end of each fiscal year, conduct an asset allocation study that reviews the expected return of each fund, including a risk analysis using best practices methodologies to estimate potential risks to the fund's asset values over a five-, 10-, and 20-year period, and the remainder of the statutory amortization period. The study shall be submitted to the House and Senate Committees on Government Operations and the Office of the Governor and made publicly available within 10 days of completion.~~

~~(c) Recordkeeping. The Committee Commission shall keep a record of all its proceedings, which shall be open for public inspection.~~

~~(d) Policies. The Committee Commission shall formulate policies and procedures deemed necessary and appropriate to carry out its functions, including a written statement of the responsibilities of and expectations for the Chair of the Committee Commission and standards of conduct for members and employees of the Commission in order to maintain and promote public confidence in the integrity of the Commission. The standard of conduct policies shall prohibit members and employees from receiving or soliciting any gift, including meals, alcoholic beverages, travel fare, room and board, or any other thing of value, tangible or intangible, from any vendor or potential vendor of investment services, management services, brokerage services, and other services to the Commission.~~

~~(e) The Attorney General shall serve as legal advisor to the Committee Contracts.~~

~~(f) Contracts approved by the Committee Commission and related documents may be executed by the Chair, or, in the Chair's absence, the Vice Chair.~~

(f) Asset and liability study. Beginning on July 1, 2022, and every three years thereafter, based on the most recent actuarial valuations of each Plan, the Commission shall study the assets and liabilities of each Plan over a 20-year period. The study shall:

(1) project the expected path of the key indicators of each Plan's financial health based on all current actuarial and investment assumptions; current contribution and benefit policies, including the Plans' mark-to-market funded ratio; actuarially required contributions by source; payout ratio; and related liquidity obligations; and

(2) project the effect on each Plan's financial health resulting from:

(A) possible material deviations from Plan assumptions in investment assumptions, including returns versus those expected and embedded in the actuary's estimate of actuarially required contributions and any material changes in capital markets volatility; and

(B) possible material deviations from key plan actuarial assumptions, including retiree longevity, potential benefit increases, and inflation.

(g) Changes to actuarial rate of return. Notwithstanding any other provision of law to the contrary, Any changes to the actuarial rate of return shall be made at a joint meeting of by the Committee Commission and the appropriate Retirement Board. The Board and Committee shall review the recommendations of the actuary and the investment consultant. A change to an actuarial rate of return shall be by joint resolution of the Board and Committee. Each body shall vote according to its own procedures. In the event that the Board and Committee are unable to agree on an actuarial rate of return, the existing assumed rate of return shall remain in effect.

(h) Annual reports.

(1) Beginning on January 15, 2022, and every year thereafter, the Commission shall submit to the House and Senate Committees on Government Operations:

(A) a report on the performance of each Plan versus its demographic investment and other actuarial assumptions over a three-, five-, seven-, and 10-year period, and the funding ratio of each Plan to each Plan beneficiary at the end of each fiscal year; and

(B) a report on the status of the funding and investment performance of each Plan and any relevant information from the asset liability and scenario testing completed during the prior fiscal year.

(2) The Commission shall send to each participant or beneficiary of each Plan a written or electronic copy of the report described in subdivision

(1) of this subsection, in the format authorized by the participant or beneficiary. The report shall be consolidated with any other reports required to be sent by the Commission to the participants or beneficiaries of each Plan.

Sec. 2. VERMONT PENSION INVESTMENT COMMISSION;
TRANSITION OF MEMBER TERMS

The transition of the member terms of the Vermont Pension Investment Commission, created in Sec. 1 of this act, are as follows:

(1) Beginning on July 1, 2021, members shall be appointed to fill the new member seats established in 3 V.S.A. § 522(a)(7) and (8) in Sec. 1 of this act. The member appointed pursuant to 3 V.S.A. § 522(a)(7) in Sec. 1 of this act shall serve an initial term of one year, and the member appointed pursuant to 3 V.S.A. § 522(a)(8) in Sec. 1 of this act shall serve an initial term of two years.

(2) Members and alternates serving on the Commission as of the date of enactment of this act shall serve until the June 30 in the year prior to the expiration of their current terms or June 30, 2023, whichever is earlier. Current members and alternates may be reappointed if they meet the eligibility, qualification, and term limit requirements of 3 V.S.A. § 522 in Sec. 1 of this act.

Sec. 3. VERMONT PENSION INVESTMENT COMMISSION; FISCAL
YEAR 2022 REPORTS

(a) On or before January 15, 2022, the Commission shall develop a written policy for implementing the asset allocation study and the asset and liability study required by 3 V.S.A. § 523 and shall make the policy publicly available.

(b) On or before July 1, 2021, the Commission shall hire an independent third party to review and report on the operations of the Commission and the Retirement Division of the State Treasurer's office and make recommendations on best practices and necessary actions to transfer the Commission to an independent entity. The report shall include a review of budgetary authority, frequency of trainings, transfer or hiring of personnel, and compensation of the Commission Chair and Commission employees. On or before January 15, 2022, the Commission shall submit a copy of the report to the House and Senate Committees on Government Operations.

Sec. 4. 3 V.S.A. § 471 is amended to read:

§ 471. RETIREMENT BOARD; MEDICAL BOARD; ACTUARY; RATES
OF CONTRIBUTION; SAFEKEEPING OF SECURITIES

* * *

(j) The Retirement Board shall designate an actuary who shall be the technical advisor of the Board on matters regarding the operation of the Fund of the Retirement System, and shall perform such other duties as are required in connection therewith. Immediately after the establishment of the Retirement System, the Retirement Board shall adopt for the Retirement System such mortality and service tables as shall be deemed necessary and shall certify the rates of contribution payable under the provisions of this subchapter. At least once in each ~~five-year~~ three-year period following the establishment of the System, the actuary shall make an actuarial investigation into the mortality, service, and compensation experience of the members and beneficiaries of the Retirement System, and taking into account the results of such investigation, the Retirement Board shall adopt for the Retirement System such mortality, service, and other tables as shall be deemed necessary and shall certify the rates of contribution payable under the provisions of this subchapter.

* * *

Sec. 5. 3 V.S.A. § 472 is amended to read:

§ 472. INVESTMENTS; INTEREST RATE; DISBURSEMENTS

* * *

(d) Except as otherwise herein provided, no trustee and no employee of the Board or member of the ~~Committee~~ Commission shall have any direct interest in the gains or profits of any investment made by the ~~Committee~~ Commission; nor shall any trustee or employee of the Board or the ~~Committee~~ Commission, directly or indirectly, for himself or herself or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Board or ~~Committee~~ Commission; nor shall any trustee or employee of the Board or the ~~Committee~~ Commission become an endorser or surety, or in any manner an obligor, for the monies loaned to or borrowed from the Board. The Treasurer, with the approval of the Board and the ~~Committee~~ Commission, shall adopt by rule standards of conduct for trustees, ~~members of the Committee~~, and employees of the Board ~~and Committee~~ in order to maintain and promote public confidence in the integrity of the Board ~~and Committee~~. Such rules shall prohibit trustees and employees from receiving or soliciting any gift, including meals, alcoholic beverages, travel fare, room and board, or any other thing of value, tangible or intangible, from any vendor or potential vendor of investment services, management services, brokerage services, and other services to the Board or ~~Committee~~ Commission.

Sec. 6. 16 V.S.A. § 1942 is amended to read:

§ 1942. BOARD OF TRUSTEES; MEDICAL BOARD; ACTUARY; RATE OF CONTRIBUTION; SAFEKEEPING OF SECURITIES

* * *

(m) Immediately after the establishment of the System, the actuary shall make such investigation of the mortality, service, and compensation experience of the members of the System, as the actuary shall recommend and the Board shall authorize, for the purpose of determining the proper mortality and service tables to be prepared and submitted to the Board for adoption. Having regard to such investigation and recommendation, the Board shall adopt for the System such mortality and service tables as shall be deemed necessary, and shall certify the rates of contribution payable under the provisions of this chapter. At least once in each ~~five-year~~ three-year period following the establishment of the ~~system~~ System, the actuary shall make an actuarial investigation into the mortality, service, and compensation experience of the members and beneficiaries of the System, and taking into account the results of such investigation, the Board shall adopt for the System such mortality, service, and other tables as shall be deemed necessary and shall certify the rates of contribution payable under the provisions of this chapter.

* * *

Sec. 7. 16 V.S.A. § 1943 is amended to read:

§ 1943. INVESTMENTS; INTEREST RATE; DISBURSEMENTS

* * *

(d) Except as otherwise provided in this section, no trustee and no employee of the Board or member of the Vermont Pension Investment ~~Committee~~ Commission shall have any direct interest in the gains or profits of any investment made by the ~~Committee~~ Commission; nor shall any trustee or employee of the Board or ~~Committee~~ Commission, directly or indirectly, for himself or herself or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Board or ~~Committee~~ Commission; nor shall any trustee or employee of the Board or ~~Committee~~ Commission become an endorser or surety, or in any manner an obligor, for the monies loaned to or borrowed from the Board. The State Treasurer, with the approval of the Board and the Committee, shall adopt by rule standards of conduct for trustees and employees of the Board in order to maintain and promote public confidence in the integrity of the Board. Such rules shall prohibit trustees, ~~members of the Committee~~, and employees from receiving or soliciting any gift, including meals, alcoholic beverages, travel fare, room and board, or any other thing of value, tangible or intangible, from

any vendor or potential vendor of investment services, management services, brokerage services, and other services to the Board.

Sec. 8. 24 V.S.A. § 5062 is amended to read:

§ 5062. RETIREMENT BOARD; MEDICAL BOARD; ACTUARY; RATES OF CONTRIBUTION; SAFEKEEPING OF SECURITIES

* * *

(k) Immediately after the establishment of the Retirement System, the Retirement Board shall adopt for the Retirement System such mortality and service tables as shall be deemed necessary and shall certify the rates of contribution payable under the provisions of this chapter. At least once in each ~~five-year~~ three-year period following the establishment of the System, the actuary shall make an actuarial investigation into the mortality, service, and compensation experience of the members and beneficiaries of the Retirement System, and taking into account the results of such investigation, the Retirement Board shall adopt for the Retirement System such mortality, service, and other tables as shall be deemed necessary and shall certify the rates of contribution payable under the provisions of this chapter.

* * *

Sec. 9. 24 V.S.A. § 5063 is amended to read:

§ 5063. INVESTMENTS; INTEREST RATE; DISBURSEMENTS

* * *

(e) Except as otherwise herein provided, no trustee and no employee of the Retirement Board or Vermont Pension Investment ~~Committee~~ Commission shall have any direct interest in the gains or profits of any investment made by the ~~Committee~~ Commission, nor shall any trustee, member of the ~~Committee~~ Commission, or employee of the Board or ~~Committee~~ Commission, directly or indirectly, for himself or herself or as an agent, in any manner use the same except to make such current and necessary payments as are authorized by the Board or ~~Committee~~ Commission; nor shall any trustee or employee of the Board or ~~Committee~~ Commission become an endorser or surety, or in any manner an obligor, for monies loaned to or borrowed from the Board.

Sec. 10. PENSION BENEFITS, DESIGN, AND FUNDING TASK FORCE;
STATE EMPLOYEES' RETIREMENT SYSTEM; STATE
TEACHERS' RETIREMENT SYSTEM; REPORT

(a) Creation. There is created the Pension Benefits, Design, and Funding Task Force to review and report on the benefits, design, and funding of

retirement and retiree health benefit plans for the Vermont State Employees' Retirement System and the Vermont State Teachers' Retirement System.

(b) Membership.

(1) The Task Force shall be composed of the following members:

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

(B) two current members of the Senate, not from the same political party, who shall be appointed by the Committee on Committees;

(C) the Commissioner of Financial Regulation or designee;

(D) one member, who shall be appointed by the State Treasurer and who shall be a nonvoting member;

(E) three members, who shall be appointed by the President of the Vermont-NEA;

(F) two members, who shall be appointed by the President of the Vermont State Employees' Association; and

(G) one member of the Vermont Troopers' Association, who shall be appointed by the President of the Vermont Troopers' Association.

(2)(A) The members appointed pursuant to subdivisions (1)(A) and (B) of this subsection (b) shall not be direct or indirect beneficiaries of the Vermont State Employees' Retirement System or the Vermont State Teachers' Retirement System.

(B) The members appointed pursuant to subdivisions (1)(E)–(G) of this subsection (b) shall not be currently serving as a legislator or the spouse or partner of an individual currently serving as a legislator.

(c) Powers and duties.

(1) The Task Force shall make recommendations about benefit provisions and appropriate funding sources along with other recommendations it deems appropriate for consideration, consistent with actuarial and governmental accounting standards, as well as demographic and workforce trends and the long-term sustainability of the benefit programs, including the following:

(A) developing and evaluating a range of strategies to lower the actuarially determined employer contributions and unfunded actuarially accrued liability based on actuarial value of assets in the State Employees' Retirement System and the Teachers' Retirement System by between 25 and

100 percent of the size of the increases from fiscal year 2021 to fiscal year 2022, as reported in the respective Actuarial Valuation and Review for each retirement system, dated June 30, 2020, while maintaining the 2038 amortization date;

(B) a five-year review of benefit expenditure levels as well as employer and employee contribution levels and growth rates and a three-, five-, and 10-year projection of these levels and rates;

(C) identifying potential options for limiting the growth in the actuarially determined employer contributions to not more than inflation;

(D) assessing the impacts associated with any modifications to the current amortization schedule;

(E) based on benefit and funding benchmarks:

(i) proposed benefit structures with the objective of adequate benefits, including an evaluation of a shared-risk model for employer and employee contributions and cost-of-living adjustments, with a focus on reducing any future increases to the unfunded actuarially accrued liability;

(ii) an estimate of the cost of current and any proposed benefit structures on a budgetary and full actuarial accrual basis;

(iii) the State's pension contributions as a percentage of direct general spending and a comparison of other states' pension contributions; and

(iv) how proposed benefit changes for new members may reduce the impact of future actuarial assumption losses;

(F) evaluating any cross-subsidization between all groups within the Vermont State Employees' Retirement System and adjusting contribution amounts to eliminate any cross-subsidization;

(G) examining permanent and temporary revenue streams to fund the Vermont State Employees' Retirement System and the State Teachers' Retirement System;

(H) a plan for prefunding other postemployment benefits, with an evaluation of using federal funds to the extent permissible, including identifying long-term impacts of pay-as-you-go funding;

(I) evaluating the intermediate and long-term impacts to the State and local economies because of any proposed changes to current benefit structures and contribution characteristics and their potential effects on retiree spending power, including retirees who identify as female and retirees who are persons with disabilities; and

(J) an examination of the effects of current benefit structures and contribution characteristics on the recruitment and retention of public school educators and State employees and an evaluation of any proposed changes to current benefit structures and contribution characteristics on the recruitment and retention of public school educators and State employees in the future.

(2) The Task Force shall not make recommendations on adjusting the assumed rates of return.

(d) Stakeholder input. During the course of its deliberations, and prior to any final recommendations being made, the Task Force shall:

(1) solicit input, including through public hearings, from affected stakeholders, including those impacted by issues of inequities; and

(2) consult with representatives designated by the Supreme Court acting in its constitutional role as the administrator of the Judicial Branch, Group D members of the State Employees' Retirement System, and members of the State Employees' Retirement System who are employees of the Department of Corrections.

(e) Assistance.

(1) The Task Force shall have:

(A) fiscal assistance from the Joint Fiscal Office and Office of the State Treasurer; and

(B) committee support services from the Office of Legislative Operations.

(2) The Office of Legislative Counsel and Joint Fiscal Office are authorized to contract for advisory services for the Task Force from an independent actuary, benefits expert, and legal expert, as necessary.

(f) Leave time. Public employee members of the Task Force shall be granted reasonable leave time by their employers to attend Task Force meetings.

(g) Report. On or before October 15, 2021, the Task Force shall submit an interim written report to the Governor and to the House and Senate Committees on Government Operations with an update on the work of the Task Force. The Task Force shall submit a final report with its findings and any recommendations for legislative action on or before December 2, 2021. The Task Force shall also provide the report to the Board of Trustees of the State Employees' and Teachers' Retirement Systems for their consideration and comment to the General Assembly.

(h) Meetings.

(1) The members appointed pursuant to subdivisions (b)(1)(A) and (B) of this section shall appoint a House and Senate member as co-chairs, who shall call the first meeting of the Task Force to occur on or before June 15, 2021.

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

(3) The Co-Chairs may establish subcommittees within the Task Force to perform the work set forth in this section.

(4) The Task Force shall cease to exist on June 30, 2022.

(i) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 20 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Task Force who are not State employees shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than 20 meetings. These payments shall be made from monies appropriated to the State Treasurer.

Sec. 11. 2 V.S.A. chapter 31 is added to read:

CHAPTER 31. JOINT PUBLIC PENSION OVERSIGHT COMMITTEE

§ 1001. CREATION OF COMMITTEE

(a) Creation. There is created a Joint Public Pension Oversight Committee for the purpose of working with and providing assistance to other legislative committees on matters related to State's retirement system other postemployment benefits.

(b) Members. The Committee shall be composed of the following members, who shall be appointed each biennial session of the General Assembly:

(1) three members of the House, who shall not be from the same party, appointed by the Speaker of the House; and

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

(c) Powers and duties. The Committee shall evaluate and make recommendations on the following:

(1) issues of public policy related to the provision of retirement benefits to the State's public sector workforce;

(2) changes to statutory provisions regarding the provision, design, and administration of retirement benefits and the retirement systems;

(3) issues of public policy relating to health benefit design innovations, State regulatory measures, and alternative methods of providing pooled health care benefits to both active and retired school employees to lower health care costs for employees, retirees, school boards, and the State; and

(4) the appropriate annual appropriation to fund the State's retirement obligations in accordance with actuarial recommendations, statutory amortization schedules, and funding policies.

(d) Policies. The Committee shall elect a chair, vice chair, and clerk from among its members and shall adopt rules of procedures. The Chair shall rotate biennially between the House and Senate members. The Committee shall keep minutes of its meetings.

(e) Meetings.

(1) When the General Assembly is in session, the Committee shall meet at the call of the Chair.

(2) The Committee may meet six times during adjournment and may meet more often subject to approval of the Speaker of the House and the President Pro Tempore of the Senate.

(3) A quorum shall consist of four members.

(f) Assistance. The Committee shall have assistance from the Office of Legislative Counsel, the Office of Legislative Operations, and the Joint Fiscal Office.

(g) Compensation and reimbursement. For attendance at a meeting when the General Assembly is not in session, members of the Committee shall be entitled to compensations for services and reimbursement of expenses as provided under subsection 23(a) of this title.

(h) Reports. Annually, on or before December 1 each year, the Vermont Investment Pension Commission and the Boards of Trustees for the State Employees' Retirement System, Teachers' Retirement System, and Municipal Employees' Retirement, shall report to the Committee.

Sec. 12. CONFORMING REVISIONS

When preparing the Vermont Statutes Annotated for publication, the Office of Legislative Counsel shall replace "Vermont Pension Investment Committee"

with “Vermont Pension Investment Commission” throughout the statutes as needed for consistency with Secs. 1–9 of this act, provided the revisions have no other effect on the meaning of the affected statutes.

Sec. 13. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 11 shall take effect on October 1, 2021.

*JEANETTE K. WHITE
ANTHONY POLLINA
BRIAN P. COLLAMORE*

Committee on the part of the Senate

*SARAH L. COPELAND HANZAS
JOHN M. GANNON
ROBERT B. LACLAIR*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; Bill Delivered

On motion of Senator Balint, the rules were suspended, and the following a bill was ordered delivered to the Governor forthwith:

S. 15.

Recess

On motion of Senator Balint the Senate recessed until 3:00 P.M.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Bill Passed; Bill Messaged

H. 443.

On motion of Senator Balint, the rules were suspended and House bill entitled:

An act relating to approval of the merger of the Wilmington Water District with the Town of Wilmington.

Was placed on all remaining stages of its passage in concurrence with proposal of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposal.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Adjournment

On motion of Senator Balint, the Senate adjourned until ten o'clock in the morning.

WEDNESDAY, MAY 19, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 75

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 13. An act relating to the implementation of the Pupil Weighting Factors Report.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to the following House bill:

H. 225. An act relating to possession of a therapeutic dosage of buprenorphine.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House proposal of amendment to the Senate proposal of amendment to House bill of the following title:

H. 171. An act relating to the governance and financing of Vermont's child care system.

And has concurred therein.

The Governor has informed the House that on May 18, 2021, he approved and signed bills originating in the House of the following titles:

H. 108. An act relating to Vermont standards for issuing a Clean Water Act section 401 certification.

H. 210. An act relating to addressing disparities and promoting equity in the health care system.

H. 428. An act relating to hate-motivated crimes and misconduct.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the eighteenth day of May, 2021 he approved and signed bills originating in the Senate of the following titles:

S. 16. An act relating to the creation of the Task Force on Equitable and Inclusive School Environments.

S. 20. An act relating to restrictions on perfluoroalkyl and polyfluoroalkyl substances and other chemicals of concern in consumer products.

S. 42. An act relating to establishing the Emergency Service Provider Wellness Commission.

Bill Passed in Concurrence with Proposal of Amendment

H. 431.

House bill of the following title was read the third time and passed in concurrence with proposal of amendment:

An act relating to miscellaneous energy subjects.

Proposals of Amendment; Third Reading Ordered

H. 289.

Senator Clarkson, for the Committee on Government Operations, to which was referred House bill entitled:

An act relating to professions and occupations regulated by the Office of Professional Regulation.

Reported recommending that the Senate propose to the House to amend the bill as follows:

First: By striking out Sec. 1, 3 V.S.A. § 122, in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office shall have a director who shall be ~~appointed by the Secretary of State and shall be an exempt employee~~ qualified by education and professional experience to perform the duties of the position. The Director of the Office of Professional Regulation shall be a classified position with the Office of the Secretary of State. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(2) ~~Board of Barbers and Cosmetology~~ Cosmetologists

* * *

(6) ~~Board of Funeral Service~~

* * *

(18) ~~Board of Private Investigative and Security Services~~

* * *

(50) Well Drillers

Second: By striking out Sec. 15, effective date, and its reader assistance heading in their entirety, and inserting in lieu thereof a new reader assistance heading and seven new sections to be Secs. 15–21 to read as follows:

* * * Mixed Martial Arts * * *

Sec. 15. 26 V.S.A. chapter 107 is added to read:

CHAPTER 107. BOXING AND MIXED MARTIAL ARTS

Subchapter 1. Boxing

* * *

Subchapter 2. Mixed Martial Arts§ 6025. DEFINITIONS

As used in this subchapter:

(1) “Contestant” means an individual who competes in a mixed martial arts match, including an exhibition. “Contestant” includes both amateur and professional mixed martial arts competitors.

(2) “Director” means the Director of the Vermont Office of Professional Regulation.

(3) “Event” or “mixed martial arts event” means a mixed martial arts match or two or more mixed martial arts matches held at the same location on the same or consecutive dates.

(4) “Exhibition” means an engagement in which the contestants show or display their skills without necessarily striving to win.

(5) “Match” or “mixed martial arts match” means any occurrence in which a mixed martial arts contestant competes against another mixed martial arts contestant using mixed martial arts. “Match” or “mixed martial arts match” includes amateur matches and exhibitions.

(6) “Mixed martial arts” means unarmed combat involving the use, subject to any applicable limits set forth in this subchapter and in any rules adopted in accordance with this subchapter, of a combination of techniques, including grappling, kicking, and striking, from different disciplines of martial arts. Mixed martial arts includes kickboxing, pankration, Muay Thai, and extreme martial arts. Mixed martial arts does not include boxing.

(7) “Office” means the Vermont Office of Professional Regulation.

(8) “Participant” means individuals who participate, directly or indirectly, in mixed martial arts matches, including managers, referees, match makers, seconds, corners, and judges. “Participant” does not include spectators and audience members.

(9) “Promoter” means any person, club, corporation, or association and, in the case of a corporate promoter, includes any officer, director, employee, or stockholder thereof, who produces, arranges, or stages any mixed martial arts match.

§ 6026. JURISDICTION OF OFFICE

(a) The Office shall have and exercise sole discretion, management, control, and supervision over all mixed martial arts events taking place within the State. No mixed martial arts event shall take place within the State except

in accordance with the provisions of this subchapter and the rules adopted by the Office.

(b) Every license issued under this subchapter shall be subject to the rules adopted pursuant to this subchapter.

§ 6027. DIRECTOR; POWERS; DUTIES

(a) In addition to the powers and duties of the Director, as established in this subchapter and in 3 V.S.A. chapter 5, subchapter 3, the Director shall have the following powers and duties:

(1) provide information to applicants for obtaining a license;

(2) receive applications for licenses; grant licenses to applicants qualified under this subchapter and in accordance with rules adopted pursuant to this subchapter; renew licenses; and deny, revoke, suspend, reinstate, or condition licenses as directed by an Administrative Law Officer;

(3) administer the inspection of facilities where a mixed martial arts event is to be held and the records associated with the event;

(4) administer fees collected under this subchapter;

(5) collect taxes and bonds in accordance with this subchapter and any rules adopted pursuant this subchapter;

(6) explain appeal procedures to licensees and applicants and complaint procedures to the public; and

(7) refer all disciplinary matters to an Administrative Law Officer.

(b) The Director, in consultation with the advisors appointed in accordance with this subchapter, shall adopt rules necessary to perform the Director's duties under this subchapter and shall establish safety standards for the protection of contestants, participants, promoters, and the public. The rules adopted by the Director in accordance with this subchapter shall, at a minimum, include the following:

(1) rules for the conduct and holding of amateur and professional mixed martial arts events;

(2) requirements and qualifications to be eligible for licenses for anyone involved, indirectly or directly, in a mixed martial arts event, including promoters, contestants, and participants, and to be eligible for event licenses;

(3) requirements for the collection, retention, and remission of bonds provided by promoters as a condition of licensure or of an event permit;

(4) requirements for promoter reports to the Office, including reports following a mixed martial arts event and for promoter payment of the event tax;

(5) requirements for medical examinations of participants and contestants to be performed prior to licensure and renewal;

(6) requirements for medical examinations of contestants and participants before, during, and after mixed martial arts matches or events;

(7) exemptions for certain mixed martial arts events;

(8) requirements for the inspection of facilities where a mixed martial arts event is to be held and of associated records; and

(9) all other requirements necessary for the safe conduct of mixed martial arts matches and events.

§ 6028. ADVISORS

(a) The Secretary of State shall appoint two individuals to serve as advisors in matters related to mixed martial arts regulation. Both advisors shall be an individual with at least three years' experience in mixed martial arts as a promoter, participant, or contestant. The advisor appointees shall be appointed for staggered five-year terms and shall serve at the pleasure of the Secretary.

(b) The Director shall seek the advice of the advisors appointed under this section in carrying out the provisions of this subchapter. The advisors shall be entitled to compensation and necessary expenses in the amount provided in 32 V.S.A. § 1010 for attendance at any meeting called by the Director for this purpose.

§ 6029. AMATEUR EVENTS; EXEMPTION FOR SCHOOLS; EXEMPTIONS

(a) All amateur mixed martial arts events shall be regulated by the Office in accordance with this subchapter and rules adopted under this subchapter except for amateur mixed martial events conducted by a school, college, or university.

(b) The Director may, by rules adopted in accordance with this subchapter, exempt from the application of these rules mixed martial arts events in which there is minimal or no contact between contestants, for which there is no remuneration for participation, and for which no tickets are sold or admission fees charged.

§ 6030. CONTESTANTS; LICENSING; EXAMINATION

(a) Contestant license.

(1) No individual shall participate as a contestant in a mixed martial arts event, which includes a sole match, in the State without first having obtained a license from the Office.

(2) Every contestant licensed in accordance with this subchapter shall be subject to the rules adopted by the Director.

(3) A fee may be assessed for a contestant license in accordance with section 6033 of this subchapter.

(4) An individual who wants to be licensed under this subsection shall apply for a contestant license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(5) Licenses shall be renewed every year on a date set by the Director in rules adopted in accordance with this subchapter. Licenses shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

(b) Medical examination; report.

(1) Each contestant shall be examined by a physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33, at the time and in accordance with rules adopted by the Director in accordance with this subchapter.

(2) No contestant shall be granted a license or permitted to renew a license without first submitting a report from a physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33 and who performed an examination in accordance with rules adopted under this subchapter, certifying the contestant is in appropriate physical condition to engage in a mixed martial arts event. Reports from an examining physician shall be submitted directly to the Office by the examining physician and shall contain such information as required by the Director in rules adopted in accordance with this subchapter. The examining physician shall provide an assessment in the report of the contestant's physical condition to engage in a mixed martial arts match.

(3) No contestant shall participate in a mixed martial arts match unless:

(A) the contestant has been examined not more than twelve hours before the match by a physician licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33 and who performed the medical examination in accordance with rules adopted under this subchapter; and

(B) the physician who performed the examination certifies in writing to the referee of the match that the contestant is in appropriate physical condition to engage in a mixed martial arts match.

(4) Fees for the pre-match examination shall be paid by the promoter of the match. In addition to providing the certification to the referee on the day of the event, the contestant shall submit the certification of the examining physician to the Office within 48 hours following the mixed martial arts match for which the physician provided the examination.

§ 6031. PROMOTERS

(a) Promoter license.

(1) No person shall hold or conduct a mixed martial arts event, which includes a sole match, in the State without first having obtained a license from the Office.

(2) A person who wants to be licensed under this subsection shall apply for a promoter license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(3) Licenses shall be renewed every two years on a date set by the Director in rules adopted in accordance with this subchapter. Licenses shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

(4) In addition to the bond required under this subchapter, a fee may be assessed for a promoter license in accordance with section 6033 of this subchapter.

(5) Before any promoter license is granted or renewed, the applicant shall execute and file with the Office a bond to the State in the amount of \$10,000.00, to be conditioned upon the faithful performance by the applicant of the provisions of this subchapter and the payment of the taxes imposed under this subchapter. The bond shall be in a form with sureties satisfactory to the Office. No promoter license shall be renewed unless this bond has been renewed and filed with the Board.

(b) Event license.

(1) No mixed martial arts event, including a sole match, shall be held by any promoter licensed under this subchapter unless the promoter has obtained from the Office an event license to hold the event at least two weeks prior to the first day of the event. The application to the Office for an event license shall be in such form, with such information, and at such place as the Office may, by rules adopted in accordance with this subchapter, prescribe.

(2) A fee may be assessed for this match or event license in accordance with section 6033 of this subchapter. The Office may charge a separate event license fee for each day of an event.

(3) No event license shall be granted to any promoter who is not licensed in the State; whose license is suspended, disciplined, or revoked in any state or jurisdiction; or who is delinquent in paying a tax that has been assessed pursuant to section 6039 of this subchapter.

(4) No event license shall be granted until the Office performs an inspection of the facilities where the mixed martial arts event is to be held and of records associated with the event.

(5) No event license shall be renewed. A separate event license shall be obtained for each event, including a for a sole match.

§ 6032. PARTICIPANTS

(a) No individual shall participate, either directly or indirectly, as a participant in a mixed martial arts event, including a sole match, in the State without first having obtained a license from the Office.

(b) A fee may be assessed for a participant license in accordance with section 6033 of this subchapter.

(c) Every participant licensed in accordance with this subchapter shall be subject to the rules adopted by the Director.

(1) An individual who wants to be licensed under this section shall apply for a participant license in the manner specified by the Director in rules adopted in accordance with this subchapter, accompanied by payment of the required fee.

(2) Licenses shall be renewed every two years on a date set by the Director in rules adopted in accordance with this subchapter. Licensees shall be subject to the provisions of this subchapter and to all rules adopted in accordance with this subchapter.

§ 6033. FEES

Applicants and persons regulated by this subchapter shall be subject to the following fees:

(1) Application:

<u>(A) Promoter license</u>	<u>\$500.00</u>
<u>(B) Event license</u>	<u>\$250.00</u>
<u>(C) Contestant license</u>	<u>\$25.00</u>
<u>(D) Participant license</u>	<u>\$25.00</u>

(2) Biennial renewal for managers, seconds, referees, and judges
\$25.00

(3) Biennial renewal for promoters \$500.00

(4) Annual renewal for contestants \$25.00

(5) Late fees set pursuant to 3 V.S.A. § 127(d)(1).

§ 6034. RENEWAL

(a) General provisions. A licensee shall apply to renew the license prior to the expiration of the current license. The Director shall send a reminder to licensees prior to the expiration of their licenses. The Office may charge, in addition to the license fee, a late fee to licensees who do not apply to renew a license until after the license is expired.

(b) Renewal deadlines.

(1) Licenses for participants and promoters shall be renewed every two years upon payment of the required fees and in accordance with rules adopted under this subchapter.

(2) Licenses for contestants shall be renewed every year upon payment of the required fees and in accordance with rules adopted under this subchapter.

§ 6035. MEDICAL INSURANCE

(a) Promoters licensed in accordance with this subchapter shall carry medical insurance covering all contestants who participate in an event, including a sole match, conducted by the promoter.

(b) The cost of the medical insurance, including deductibles and premiums, shall be borne by the promoter.

(c) The promoter shall obtain medical insurance coverage in an amount to be determined by the Director in rules adopted in accordance with this subchapter that shall cover the expenses for the treatment of any injuries the contestant may suffer as a result of a mixed martial arts event.

(d) The medical insurance coverage shall extend for at least six months following the date of the mixed martial arts event.

(e) No mixed martial arts event shall be approved in the State unless the promoter is in full compliance with the requirements of this section concerning medical insurance coverage.

§ 6036. MEDICAL EXAM

The Director shall adopt rules for medical examination of contestants and participants, as needed, including examinations before, during, and after a match or event and as a condition of licensure under this subchapter.

§ 6037. REFEREES

(a) No mixed martial arts event, including a sole match, shall take place in Vermont without a referee present and overseeing the event in accordance with rules adopted under this subchapter.

(b) The sole arbiter in the ring in a mixed martial arts match shall be the referee, licensed as a participant in Vermont, who shall govern the match in accordance with the rules adopted by the Director under this subchapter. The referee shall have full power to stop the match whenever the referee deems it advisable because of the physical condition of a contestant, when one of the contestants is clearly outclassed by an opponent, or for other reasonable cause.

§ 6038. MEDICAL ASSISTANCE AT EVENTS

(a) Physician. Every promoter shall have in attendance at every mixed martial arts match at least one physician, who is licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33. The physician shall perform medical examinations of the contestants not more than twelve hours before the beginning of the match and shall certify in writing to the referee whether or not the contestant is in appropriate physical condition to engage in a mixed martial arts match.

(b) Ambulance. Every promoter shall have at every mixed martial arts match an ambulance containing the standard medical equipment necessary to treat cerebral injuries. If the ambulance leaves an event, no other mixed martial arts match may commence or resume until the ambulance returns. The promoter shall stop or delay a match until an ambulance is present.

(c) Upon the recommendation of the physician present during a mixed martial arts event, a contestant shall be required to undergo an ophthalmological and neurological examination after each match in accordance with rules adopted under this subchapter.

(1) The cost of such an examination shall be borne by the promoter of the event.

(2) The physician shall provide a certified writing of the examination findings to the referee and the contestant.

(3) Within 48 hours after receiving the examination, the contestant shall submit the physician's certified writing to the Office.

(4) If the physician, after an examination in accordance with this section and rules adopted under this subchapter, certifies that the contestant is not in a physical condition to engage in a mixed martial arts match, the contestant shall not be permitted to engage in another match until a subsequent examination is conducted in accordance with rules adopted under this subchapter and a

physician certifies that the contestant is in an appropriate physical condition to engage in a mixed martial arts match. The physician providing the subsequent examination does not need to be the same physician who provided the examination at the mixed martial arts match.

§ 6039. TAX; POST-EVENT REPORT BY PROMOTER

(a) Every promoter shall, not later than seven days after the conclusion of a mixed martial arts event, submit a post-event report to the Office in accordance with rules adopted pursuant to this subchapter. The report shall include the exact number of tickets to the event sold, the amount of gross and net receipts from the event, and any other facts as the Director may by rule require. The promoter shall report on tickets sold to an entire event not to an individual match within an event.

(b) Every promoter shall, not later than seven days after the conclusion of a mixed martial arts event, pay to the Office by certified check a tax of five percent of the receipts from tickets, admission fees, and sponsorships after all costs from the event and any other State and federal taxes thereon have been paid. The promoter shall pay the tax on the receipts from the entire event. This tax shall be deposited in the Professional Regulation Fee Fund and used to carry out the provisions of this subchapter.

(c) If the report required under this section and the accompanying tax are not paid within the seven days required, the Office may examine, or cause to be examined, the books and records of the promoter and any corporation on behalf of which the promoter held the event.

§ 6040. UNPROFESSIONAL CONDUCT

(a) All persons. All persons licensed under this subchapter are subject to 3 V.S.A. chapter 5, subchapter 3, including the unprofessional conduct items established under 3 V.S.A. § 129a.

(b) Contestants. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a contestant to do any of the following:

(1) engage in a mixed martial arts match after a physician, licensed under 26 V.S.A. chapter 23 or 26 V.S.A. chapter 33, certifies, following an annual examination or an examination before, during, or within seven days after a match and carried out in accordance with this subchapter and rules adopted in accordance with this subchapter, that the contestant is not in a physical condition to engage in a mixed martial arts match;

(2) engage in a mixed martial arts match when suspended or prohibited from competing in a mixed martial arts match by any entity that regulates mixed martial arts;

(3) engage in a mixed martial arts match when the contestant's license to engage in mixed martial arts, as a contestant, promoter, or participant, is suspended in any other state or jurisdiction;

(4) engage in a mixed martial arts match less than 30 days after competing as a contestant in another mixed martial arts match;

(5) engage in a mixed martial arts match less than 60 days after having been knocked out in a mixed martial arts match or less than 30 days after having been technically knocked out in a mixed martial arts match; or

(6) any other activity as established by the Director in rules adopted in accordance with this subchapter.

(c) Promoters. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a promoter to do any of the following:

(1) fail to submit a required report or information to the Office within the time period and with the information, taxes, and fees required under this subchapter and in accordance with rules adopted pursuant to this subchapter;

(2) directly or indirectly have any financial interest in an individual competing in a mixed martial arts match arranged by the promoter;

(3) engage a contestant who is suspended or prohibited from competing in mixed martial arts matches by any state or jurisdiction to compete in a match held by the promoter;

(4) conduct a mixed martial arts match with no ambulance present;

(5) conduct a mixed martial arts match with no physician present;

(6) conduct a mixed martial arts match without a referee present; or

(7) any other activity as established by the Director in rules adopted in accordance with this subchapter.

(d) Participants. In addition to the items set forth in 3 V.S.A. § 129a, it shall be unprofessional conduct for a participant to do any of the following:

(1) for a referee, to unreasonably fail to comply with the rules adopted by the Director in accordance with this subchapter for the conduct of a mixed martial arts match;

(2) for a referee, match-maker, or judge, to directly or indirectly have any financial interest in an individual competing in a mixed martial arts match at which the referee, match-maker, or judge is acting as a judge, match-maker, or referee; or

(3) any other activity as established by the Director in rules adopted in accordance with this subchapter.

§ 6041. INSPECTIONS

The Director or designee may inspect facilities, including the ring, where a mixed martial arts match is to be held, before or during any match or event, and the records required for each licensee and the event or match in accordance with this subchapter and rules adopted pursuant to this subchapter. The Director or designee may suspend an event license immediately for failure to comply with this subchapter or with any rules adopted in accordance with this subchapter.

§ 6042. AGE

No individual under 18 years of age shall engage in a mixed martial arts event, including a sole match, in which money, a prize or purse, or other form of monetary compensation is offered or given to any contestant.

§ 6043. INJUNCTION

The Director may, in addition to other remedies available under law, bring an action in a court of this State to enjoin a person from continuing any violation of this subchapter or doing any acts in furtherance thereof and for any other relief that the court deems appropriate.

* * * Boxing * * *

Sec. 16. REDESIGNATIONS; BOXING

(a) 31 V.S.A. chapter 21 is redesignated as 26 V.S.A. chapter 107, subchapter 1.

(b) 31 V.S.A. §§ 1101–1113 are redesignated as 26 V.S.A. §§ 6001–6013, respectively.

Sec. 17. CONFORMING CHANGES

When preparing the Vermont States Annotated for publication, the Office of Legislative Counsel shall revise any cross-references to 31 V.S.A. chapter 21 and its sections as redesignated and codified in Sec. 16 of this act.

* * * Endorsement Process * * *

Sec. 18. 3 V.S.A. § 136a is amended to read:

§ 136a. UNIFORM PROCESS FOR ENDORSEMENT FROM OTHER STATES

(a) Except Notwithstanding any statute or rule to the contrary and except as provided in subsection (b) of this section, all professions attached to the Office shall have an endorsement process that requires not more than three years of practice in good standing in another jurisdiction within the United States, regardless of whether that jurisdiction has licensing requirements substantially

similar to those of this State.

(b) Any profession determining that three years of demonstrated practice in another jurisdiction is not adequately protective of the public shall provide its rationale to the Director, who may propose any necessary statutory or rule amendments in order to implement more restrictive requirements for endorsement.

(c) The Director may issue to an endorsement applicant a waiver of the profession's practice requirement if there is a showing that the waiver follows State policy and the public is adequately protected.

* * * Home Health Nursing * * *

Sec. 19. 2020 Acts and Resolves No. 90, as amended by 2020 Acts and Resolves No. 140, Sec. 13, and 2021 Acts and Resolves No. 6, Sec. 1, is further amended to read:

* * * Supporting Health Care and Human Service
Provider Sustainability * * *

Sec. 1. AGENCY OF HUMAN SERVICES; HEALTH CARE AND
HUMAN SERVICE PROVIDER SUSTAINABILITY

* * *

* * * Regulation of Professions * * *

* * *

Sec. 17. OFFICE OF PROFESSIONAL REGULATION; BOARD OF
MEDICAL PRACTICE; OUT-OF-STATE HEALTH CARE
PROFESSIONALS

(a) Notwithstanding any provision of Vermont's professional licensure statutes or rules to the contrary, through March 31, 2022, a health care professional, including a mental health professional, who holds a valid license, certificate, or registration to provide health care services in any other U.S. jurisdiction shall be deemed to be licensed, certified, or registered to provide health care services, including mental health services, to a patient located in Vermont using telehealth;² as a volunteer member of the Medical Reserve Corps;² or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center, provided the health care professional:

(1) is licensed, certified, or registered in good standing in the other U.S. jurisdiction or jurisdictions in which the health care professional holds a license, certificate, or registration;

(2) is not subject to any professional disciplinary proceedings in any other U.S. jurisdiction; and

(3) is not affirmatively barred from practice in Vermont for reasons of fraud or abuse, patient care, or public safety.

(b) A health care professional who plans to provide health care services in Vermont as a volunteer member of the Medical Reserve Corps or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center shall submit or have submitted on the individual's behalf the individual's name, contact information, and the location or locations at which the individual will be practicing to:

(1) the Board of Medical Practice for medical doctors, physician assistants, and podiatrists; or

(2) the Office of Professional Regulation for all other health care professions.

(c) A health care professional who delivers health care services in Vermont pursuant to subsection (a) of this section shall be subject to the imputed jurisdiction of the Board of Medical Practice or the Office of Professional Regulation, as applicable based on the health care professional's profession, in accordance with Sec. 19 of this act.

(d)(1) This section shall remain in effect through March 31, 2022, provided the health care professional remains licensed, certified, or registered in good standing.

(2) The Board of Medical Practice and Office of Professional Regulation shall provide appropriate notice of the March 31, 2022 expiration date of this section to:

(A) health care professionals providing health care services in Vermont under this section;

(B) the Medical Reserve Corps; and

(C) health care facilities and federally qualified health centers at which health care professionals are providing services under this section.

Sec. 18. INACTIVE LICENSEES; BOARD OF MEDICAL PRACTICE;
OFFICE OF PROFESSIONAL REGULATION

(a)(1) Through March 31, 2022, a former health care professional, including a mental health professional, whose Vermont license, certificate, or registration became inactive not more than three years earlier and was in good standing at the time it became inactive may provide health care services, including mental health services, to a patient located in Vermont using

telehealth; as a volunteer member of the Medical Reserve Corps; or as part of the staff of a licensed facility, other health care facility as defined in 18 V.S.A. § 9432, or federally qualified health center after submitting, or having submitted on the individual's behalf, to the Board of Medical Practice or Office of Professional Regulation, as applicable, the individual's name, contact information, and the location or locations at which the individual will be practicing.

(2) A former health care professional who returns to the Vermont health care workforce pursuant to this subsection shall be subject to the regulatory jurisdiction of the Board of Medical Practice or the Office of Professional Regulation, as applicable.

(3) The Board of Medical Practice and Office of Professional Regulation shall provide appropriate notice of the March 31, 2022 expiration date of this section to:

(A) health care professionals providing health care services under this section;

(B) the Medical Reserve Corps; and

(C) health care facilities and federally qualified health centers at which health care professionals are providing services under this section.

(b) Through March 31, 2022, the Board of Medical Practice and the Office of Professional Regulation may permit former health care professionals, including mental health professionals, whose Vermont license, certificate, or registration became inactive more than three but less than 10 years earlier and was in good standing at the time it became inactive to return to the health care workforce on a temporary basis to provide health care services, including mental health services, to patients in Vermont. The Board of Medical Practice and Office of Professional Regulation may issue temporary licenses to these individuals at no charge and may impose limitations on the scope of practice of returning health care professionals as the Board or Office deems appropriate.

* * *

Sec. 20. 3 V.S.A. § 129a is amended to read:

§ 129a. UNPROFESSIONAL CONDUCT

(a) In addition to any other provision of law, the following conduct by a licensee constitutes unprofessional conduct. When that conduct is by an applicant or person who later becomes an applicant, it may constitute grounds for denial of a license or other disciplinary action. Any one of the following items or any combination of items, whether the conduct at issue was

committed within or outside the State, shall constitute unprofessional conduct:

* * *

(10) Conviction of a crime related to the practice of the profession or conviction of a felony, whether or not related to the practice of the profession. If an individual has a conviction of concern, the board or hearing officer shall consider the following in determining whether to deny or discipline a license, certification, or registration to the individual based on the following factors:

(A) the nature and seriousness of the conviction;

(B) the amount of time since the commission of the crime;

(C) the relationship of the crime to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the profession; and

(D) evidence of rehabilitation or treatment.

* * *

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

This act shall take effect on passage except that Secs. 2–7 and Secs. 13–17 shall take effect on July 1, 2021.

And that the bill ought to pass in concurrence with such proposals of amendment.

Senator Hardy, for the Committee on Finance, to which the bill was referred, reported recommending that the Senate propose to the House that the bill be amended as recommended by the Committee on Government Operations with the following amendment thereto:

By adding a new section to be Sec. 15a to read as follows:

Sec. 15a. 31 V.S.A. § 1101 is redesignated and amended to read:

§ ~~1101~~ 6001. DEFINITIONS

As used in this ~~chapter~~ subchapter:

(1) “Boxer” means an individual who participates in a boxing match.

(2) “Boxing match” or “match” means a contest or training exhibition for a prize or purse where an admission fee is charged and where individuals score points by striking the head and upper torso of an opponent with padded fists. An amateur match is a match held under the supervision of a school, college, or university; under the supervision of United States Amateur Boxing,

Inc. or its successor as the nationally designated governing body for amateur boxing; or, for any other amateur match, under the supervision of a nationally designated governing body. All other matches shall be considered professional matches. ~~Kickboxing, martial arts, and mixed martial arts, as defined in this section, shall be considered “matches” for the purposes of this chapter.~~

(3) “Director” means the Director of the Office of Professional Regulation.

(4) “Disciplinary action” includes any action by the administrative law officer appointed under 3 V.S.A. § 129, premised upon a finding of wrongdoing. It includes all sanctions of any kind, including denying, suspending, or revoking a registration and issuing warnings.

(5) “Health care provider” means a health care practitioner licensed in Vermont who is permitted under ~~his or her~~ the practitioner’s statutory or regulatory scope of practice to conduct the types of examinations set forth in ~~this chapter~~ subchapter.

~~(6) “Kickboxing” means unarmed combat involving the use of striking techniques delivered with the upper and lower body and in which the competitors remain standing while striking.~~

~~(7) “Martial arts” means any form of unarmed combative sport or unarmed combative entertainment that allows contact striking, except boxing or wrestling.~~

~~(8) “Mixed martial arts” means unarmed combat involving the use of a combination of techniques from different disciplines of the martial arts, including grappling, submission holds, and strikes with the upper and lower body.~~

~~(9)~~(6) “Manager” means a person who receives compensation for service as an agent or representative of a professional boxer.

~~(10)~~(7) “National Boxer Registry” means an entity certified by the Association of Boxing Commissions for the purpose of maintaining records for the identification of professional boxers and for tracking their records and suspensions.

~~(11)~~(8) “Participant” means managers, seconds, referees, and judges in a professional boxing match.

~~(12)~~(9) “Promoter” means a person that organizes, holds, advertises, or otherwise conducts a professional boxing match.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Starr, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committees on Government Operations and Finance.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the recommendation of proposal of amendment of the Committee on Government Operations was amended as recommended by the Committee on Finance.

Thereupon, the proposals of amendment recommended by the Committee on Government Operations, as amended, were severally agreed to and third reading of the bill was ordered.

House Proposal of Amendment Concurred In with Amendment; Rules Suspended; Bill Messaged

S. 3.

House proposal of amendment to Senate bill entitled:

An act relating to competency to stand trial and insanity as a defense.

Was taken up.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

*** Competency to Stand Trial and Sanity at the Time of the Offense ***

Sec. 1. 13 V.S.A. § 4816 is amended to read:

§ 4816. SCOPE OF EXAMINATION; REPORT; EVIDENCE

(a) Examinations provided for in section 4815 of this title shall have reference to one or both of the following:

(1) ~~mental~~ Mental competency of the person examined to stand trial for the alleged offense; ~~and~~.

(2) ~~sanity~~ Sanity of the person examined at the time of the alleged offense.

(b) A competency evaluation for an individual thought to have a developmental disability shall include a current evaluation by a psychologist skilled in assessing individuals with developmental disabilities.

(c)(1) As soon as practicable after the examination has been completed, the examining psychiatrist or, if applicable under subsection 4816(b) of this title, the psychiatrist and the psychologist, if applicable, shall prepare a report containing findings in regard to each of the matters listed in applicable

provisions of subsection (a) of this section. The report shall be transmitted to the court issuing the order for examination, and copies of the report sent to the State's Attorney, and, to the respondent, to the respondent's attorney if the respondent is represented by counsel, to the Commissioner of Mental Health, and, if applicable, to the Department of Disabilities, Aging, and Independent Living.

(2) If the court orders examination of both the person's competency to stand trial and the person's sanity at the time of the alleged offense, those opinions shall be presented in separate reports and addressed separately by the court. In such cases, the examination of the person's sanity shall only be undertaken if the psychiatrist or, if applicable under subsection 4816(b) of this title, the psychiatrist and the psychologist are able to form the opinion that the person is competent to stand trial, unless the defendant requests that the examinations occur concurrently. If the evaluation of the defendant's sanity at the time of the alleged offense does not occur until the defendant is deemed competent to stand trial, the psychiatrist or, if applicable under subsection 4816(b) of this title, the psychiatrist and the psychologist shall make a reasonable effort to collect and preserve any evidence necessary to form an opinion as to sanity if the person regains competence.

* * *

Sec. 2. 13 V.S.A. § 4820 is amended to read:

§ 4820. HEARING REGARDING COMMITMENT

(a) When a person charged on information, complaint, or indictment with a criminal offense:

(1) Is reported by the examining psychiatrist following examination pursuant to sections 4814–4816 of this title to have been insane at the time of the alleged offense.

(2) Is found upon hearing pursuant to section 4817 of this title to be incompetent to stand trial due to a mental disease or mental defect.

(3) Is not indicted upon hearing by grand jury by reason of insanity at the time of the alleged offense, duly certified to the court.

(4) Upon trial by court or jury is acquitted by reason of insanity at the time of the alleged offense; the court before which such person is tried or is to be tried for such offense, shall hold a hearing for the purpose of determining whether such person should be committed to the custody of the Commissioner of Mental Health. Such person may be confined in jail or some other suitable place by order of the court pending hearing for a period not exceeding 15 days.

(b) When a person is found to be incompetent to stand trial, has not been indicted by reason of insanity for the alleged offense, or has been acquitted by reason of insanity at the time of the alleged offense, the person shall be entitled to have counsel appointed from Vermont Legal Aid to represent the person. The Department of Mental Health and, if applicable, the Department of Disabilities, Aging, and Independent Living shall be entitled to appear and call witnesses at the proceeding.

Sec. 3. 13 V.S.A. § 4822 is amended to read:

§ 4822. FINDINGS AND ORDER; PERSONS WITH A MENTAL ILLNESS

(a) If the court finds that the person is a person in need of treatment or a patient in need of further treatment as defined in 18 V.S.A. § 7101, the court shall issue an order of commitment directed to the Commissioner of Mental Health that shall admit the person to the care and custody of the Department of Mental Health for an indeterminate period. In any case involving personal injury or threat of personal injury, the committing court may issue an order requiring a court hearing before a person committed under this section may be discharged from custody.

(b) An order of commitment issued pursuant to this section shall have the same force and effect as an order issued under 18 V.S.A. §§ 7611–7622, and a person committed under this order shall have the same status and the same rights, including the right to receive care and treatment, to be examined and discharged, and to apply for and obtain judicial review of his or her case, as a person ordered committed under 18 V.S.A. §§ 7611–7622.

(c)(1) Notwithstanding the provisions of subsection (b) of this section, at least 10 days prior to the proposed discharge of any person committed under this section, the Commissioner of Mental Health shall give notice of the discharge to the committing court and State’s Attorney of the county where the prosecution originated. In all cases requiring a hearing prior to discharge of a person found incompetent to stand trial under section 4817 of this title, the hearing shall be conducted by the committing court issuing the order under that section. In all other cases, when the committing court orders a hearing under subsection (a) of this section or when, in the discretion of the Commissioner of Mental Health, a hearing should be held prior to the discharge, the hearing shall be held in the Family Division of the Superior Court to determine if the committed person is no longer a person in need of treatment or a patient in need of further treatment as set forth in subsection (a) of this section. Notice of the hearing shall be given to the Commissioner, the State’s Attorney of the county where the prosecution originated, the committed person, and the person’s attorney. Prior to the hearing, the State’s Attorney may enter an appearance in the proceedings and may request examination of

the patient by an independent psychiatrist, who may testify at the hearing.

(2)(A) This subdivision (2) shall apply when a person is committed to the care and custody of the Commissioner of Mental Health under this section after having been found:

(i) not guilty by reason of insanity; or

(ii) incompetent to stand trial, provided that the person's criminal case has not been dismissed.

(B)(i) When a person has been committed under this section, the Commissioner shall provide notice to the State's Attorney of the county where the prosecution originated or to the Office of the Attorney General if that office prosecuted the case:

(I) at least 10 days prior to discharging the person from:

(aa) the care and custody of the Commissioner; or

(bb) a hospital or a secure residential recovery facility to the community on an order of nonhospitalization pursuant to 18 V.S.A. § 7618;

(II) at least 10 days prior to the expiration of a commitment order issued under this section if the Commissioner does not seek continued treatment; or

(III) any time that the person elopes from the custody of the Commissioner.

(ii) When the State's Attorney or Attorney General receives notice under subdivision (i) of this subdivision (B), the Office shall provide notice of the action to any victim of the offense for which the person has been charged who has not opted out of receiving notice.

(iii) As used in this subdivision (B), "victim" has the same meaning as in section 5301 of this title.

* * *

Sec. 4. Vermont Rule of Criminal Procedure 16.1 is amended to read:

RULE 16.1. DISCLOSURE TO THE PROSECUTION

(a) The Person of the Defendant.

(1) Notwithstanding the initiation of judicial proceedings, and subject to constitutional limitations, upon motion and notice a judicial officer may require the defendant to:

* * *

(H) provide specimens of his the defendant's handwriting; and

(I) submit to a reasonable physical or medical inspection of his the defendant's body or, if notice is given by the defendant that sanity is in issue or that expert testimony will be offered as provided in Rule 12.1, to a reasonable mental examination by a psychiatrist or other expert; and

(J) submit to a reasonable mental examination by a psychiatrist or other expert when a court ordered examiner pursuant to 13 V.S.A. § 4814(a)(2) or (4) reports that a defendant is not competent to stand trial.

* * *

*** Reports and Studies ***

Sec. 5. CORRECTIONS; ASSESSMENT OF MENTAL HEALTH SERVICES

(a) On or before January 1, 2022, the Departments of Corrections and of Mental Health shall jointly submit an inventory and evaluation of the mental health services provided by the entity with whom the Department of Corrections contracts for health care services to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary.

(b) The evaluation shall include:

(1) a comparison as to how the type, frequency, and timeliness of mental health services provided in a correctional setting differ from those services available in the community, recognizing that comparison to currently available community services does not necessarily establish the standard of care for best practices;

(2) a comparison as to how the type, frequency, and timeliness of mental health services differ among Vermont correctional settings, including between men's and women's facilities, and from those mental health services provided to individuals under the care and custody of the Department of Corrections incarcerated in an out-of-state correctional facility;

(3) an assessment as to how the use of a for-profit entity with whom the Department of Corrections contracts for health care services affects costs or quality of care in correctional settings;

(4) an assessment as to whether the Department of Mental Health should provide oversight authority for mental health services provided by the entity with whom the Department of Corrections contracts for health care services; and

(5) information as to how the memorandum of understanding executed by the Departments of Corrections and of Mental Health impacts the mental health services provided by the entity with whom the Department of Corrections contracts for health care services and whether it is adequately addressing needs of those individuals with severe illness or in need of inpatient care.

(c) In conducting the work required by this section, the Departments of Corrections and of Mental Health shall ensure that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons.

Sec. 6. FORENSIC CARE WORKING GROUP

(a) On or before July 15, 2021, the Department of Mental Health shall convene a working group of interested stakeholders to provide recommendations necessary to carry out the provisions in subsections (b) and (c) of this section, including as appropriate:

- (1) a representative from the Department of Corrections;
- (2) a representative from the Department of Disabilities, Aging, and Independent Living;
- (3) the Chief Superior Judge;
- (4) a representative from the Department of State's Attorneys and Sheriffs;
- (5) a representative from the Office of the Attorney General;
- (6) a representative from the Office of the Defender General;
- (7) the Director of Health Care Reform or designee;
- (8) a representative appointed by Vermont Care Partners;
- (9) a representative appointed by Vermont Legal Aid's Mental Health Project;
- (10) a representative appointed by the Vermont Medical Society;
- (11) three crime victims representatives, appointed by the Vermont Center for Crime Victim Services;
- (12) the Mental Health Care Ombudsman established pursuant to 18 V.S.A. § 7259 or designee;
- (13) a representative of the designated hospitals, appointed by the Vermont Association of Hospitals and Health Care Systems;

(14) three individuals with lived experience of mental illness, at least one of whom has lived experience of the criminal justice system or the civil commitment system, or both, appointed by Vermont Psychiatric Survivors;

(15) a representative appointed by the Vermont Developmental Disabilities Council; and

(16) any other interested party permitted by the Commissioner of Mental Health.

(b)(1) On or before January 15, 2022, the Department of Mental Health shall submit a preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary addressing:

(A) any gaps in the current mental health and criminal justice system structure;

(B) opportunities to:

(i) improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity; and

(ii) consider the importance of victims' rights in the forensic care process;

(C) competency restoration models used in other states, including both:

(i) models that do not rely on involuntary medication to restore competency; and

(ii) how cases where competency is not restored are addressed;

(D) models used in other states to determine public safety risks and the means used to address such risks, including guilty but mentally ill verdicts in criminal cases;

(E) due process requirements for defendants held without adjudication of a crime and presumed innocent;

(F) processes regarding other mental conditions affecting competence or sanity, including intellectual disabilities, traumatic brain injury, and dementia;

(G) models for forensic treatment, including inpatient treatment, community-based treatment, or other treatment models; and

(H) any additional recommendations to address the gaps in the current mental health and criminal justice system structures and opportunities

to improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity.

(2) Based on the recommendations in the preliminary report submitted to the General Assembly pursuant to subdivision (1) of this subsection, the Department shall submit a second preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary on or before April 15, 2022 as to whether or not a forensic treatment facility is needed in Vermont.

(3) On or before September 15, 2022, the Department shall submit a final report to the Joint Legislative Justice Oversight Committee that refines and finalizes the recommendations made pursuant to subdivisions (1) and (2) of this subsection, including addressing the size, scope, and fiscal impact of any forensic treatment facility if one is recommended in subdivision (2).

(c) On or before February 1, 2022, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary that assesses the necessity of notification to the prosecutor upon becoming aware that individuals on orders of nonhospitalization pursuant to 18 V.S.A. § 7618 are not complying with the order or that the alternative treatment is not adequate to meet the individual's treatment needs, including any recommendations:

(1) necessary to clarify the process;

(2) addressing what facts and circumstances should trigger the Commissioner's duty to notify the prosecutor; and

(3) addressing steps that the prosecutor should take after receiving the notification.

(d)(1) In conducting the work required by this section, including evaluations for forensic treatment facility models pursuant to subdivision (b)(2) of this section, the working group shall ensure:

(A) that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons; and

(B) consistency with the General Assembly's policy in 18 V.S.A. § 7629(c) of working "toward a mental health system that does not require coercion or the use of involuntary medication."

(2) These considerations shall be reflected in the final report submitted pursuant to subdivision (b)(3) of this section and the report submitted pursuant

to subsection (c) of this section.

(e) The Department shall access regional or national expertise to present models to the working group for review, including any model recommended by members of the working group.

(f) The final report submitted pursuant to subdivision (b)(3) of this section and the report submitted pursuant to subsection (c) of this section shall include proposed draft legislation addressing any identified needed changes to statute.

(g) Members of the working group who are neither State employees nor otherwise paid to participate in the working group in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

* * * Amendment of the Joint Legislative Justice Oversight Committee * * *

Sec. 7. 2 V.S.A. § 801 is amended to read:

§ 801. CREATION OF COMMITTEE

* * *

(b) The Committee shall be composed of ~~10~~ 12 members: ~~five~~ six members of the House of Representatives, who shall not all be from the same party, appointed by the Speaker of the House; and ~~five~~ six members of the Senate, who shall not all be from the same party, appointed by the Committee on Committees. In addition to one ~~member-at-large~~ member at large appointed ~~from each chamber~~, by the House and two members at large appointed by the Senate, one appointment shall be made from each of the House and Senate Committees on Appropriations and on Judiciary, the Senate Committees on Health and Welfare and on Institutions, and the House Committees on Corrections and Institutions, on Health Care, and on Human Services.

* * *

* * * Appropriations * * *

Sec. 8. APPROPRIATIONS

The sum of \$530,000.00 is appropriated from the General Fund to the Department of Mental Health to be allocated as follows:

(1) \$250,000.00 to contract with Vermont Legal Aid for the purpose of providing legal representation in commitment proceedings pursuant to 13 V.S.A. § 4820.

(2) \$250,000.00 to provide legal representation and independent psychiatric evaluations in connection with commitment proceedings pursuant to 13 V.S.A. § 4820.

(3) \$25,000.00 to support the work of the Forensic Care Working Group established by Sec. 6 of this act.

(4) \$5,000.00 for per diem compensation and reimbursement of expenses as permitted by 32 V.S.A. § 1010 to members of the Forensic Care Working Group established by Sec. 6 of this act.

* * * Effective Date * * *

Sec. 9. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: By striking out Sec. 6, forensic care working group, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. REPORTS; FORENSIC CARE WORKING GROUP; PROSECUTOR NOTIFICATION; COMPETENCY RESTORATION MODELS

(a) On or before July 15, 2021, the Department of Mental Health shall convene working groups of interested stakeholders to provide recommendations necessary to carry out the provisions in subsections (b), (c), and (d) of this section, including as appropriate:

- (1) a representative from the Department of Corrections;
- (2) a representative from the Department of Disabilities, Aging, and Independent Living;
- (3) a representative from the Department of Buildings and General Services;
- (4) the Chief Superior Judge;
- (5) a representative from the Department of State's Attorneys and Sheriffs;
- (6) a representative from the Office of the Attorney General;
- (7) a representative from the Office of the Defender General;
- (8) the Director of Health Care Reform or designee;
- (9) a representative, appointed by Vermont Care Partners;
- (10) a representative, appointed by Vermont Legal Aid's Mental Health Project;
- (11) a representative, appointed by the Vermont Medical Society;

(12) three crime victims representatives, appointed by the Vermont Center for Crime Victim Services;

(13) the Mental Health Care Ombudsman established pursuant to 18 V.S.A. § 7259 or designee;

(14) a representative of the designated hospitals, appointed by the Vermont Association of Hospitals and Health Care Systems;

(15) three individuals with lived experience of mental illness, at least one of whom has lived experience of the criminal justice system or the civil commitment system, or both, appointed by Vermont Psychiatric Survivors;

(16) a representative appointed by the Vermont Developmental Disabilities Council; and

(17) any other interested party permitted by the Commissioner of Mental Health.

(b)(1) On or before August 1, 2022, the Department of Mental Health shall submit a final report to the Joint Legislative Justice Oversight Committee and the chairs of the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and of the Senate Committees on Health and Welfare and on Judiciary addressing:

(A) any gaps in the current mental health and criminal justice system structure related to individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity;

(B) opportunities to:

(i) improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity; and

(ii) consider the importance of victims' rights in the forensic care process;

(C) models used in other states to determine public safety risks and the means used to address such risks, including guilty but mentally ill verdicts in criminal cases;

(D) due process requirements for defendants held without adjudication of a crime and presumed innocent;

(E) processes regarding other mental conditions affecting competence or sanity, including intellectual disabilities, traumatic brain injury, and dementia;

(F) models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility; and

(G) any additional recommendations.

(2) On or before January 15, 2022, the Department shall submit a preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary summarizing the work completed pursuant to subdivision (1) of this subsection to date.

(c) On or before February 1, 2022, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary that assesses the necessity of notification to the prosecutor upon becoming aware that individuals on orders of nonhospitalization pursuant to 18 V.S.A. § 7618 are not complying with the order or that the alternative treatment is not adequate to meet the individual's treatment needs, including any recommendations:

(1) necessary to clarify the process;

(2) addressing what facts and circumstances should trigger the Commissioner's duty to notify the prosecutor; and

(3) addressing steps that the prosecutor should take after receiving the notification.

(d) On or before January 15, 2023, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary comparing competency restoration models and addressing how cases where competency is not restored are addressed.

(e)(1) In conducting the work required by this section, including evaluations for forensic treatment facility models pursuant to subsection (b) of this section, the working group shall ensure:

(A) that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons; and

(B) consistency with the General Assembly's policy in 18 V.S.A. § 7629(c) of working "toward a mental health system that does not require coercion or the use of involuntary medication."

(2) These considerations shall be reflected in the final report submitted pursuant to subdivision (b)(1) of this section and the reports submitted pursuant to subsections (c) and (d) of this section.

(f) The Department shall access regional or national expertise to present models to the working group for review, including any model recommended by members of the working group.

(g) The final report submitted pursuant to subdivision (b)(1) of this section and the reports submitted pursuant to subsections (c) and (d) of this section shall include proposed draft legislation addressing any identified needed changes to statute.

(h) Members of the working group who are neither State employees nor otherwise paid to participate in the working group in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

Second: By striking out Sec. 7, creation of Committee, and its reader assistance heading in their entirety and inserting in lieu thereof:

Sec. 7. [Deleted.]

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment?, was decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; Bill Messaged

On motion of Senator Balint, the rules were suspended, and the following bill was ordered messaged to the House forthwith:

H. 431.

Rules Suspended; Bill Passed in Concurrence with Proposals of Amendment; Bill Messaged

H. 289.

On motion of Senator Balint, the rules were suspended and House bill entitled:

An act relating to professions and occupations regulated by the Office of Professional Regulation.

Was placed on all remaining stages of its passage in concurrence with proposals of amendment.

Thereupon, the bill was read the third time and passed in concurrence with proposals of amendment.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Appointments Confirmed

The following Gubernatorial appointments were confirmed separately by the Senate, upon full reports given by the Committees to which they were referred:

The nomination of

Cheney, Margaret of Norwich - Member Public Utility Commission - July 23, 2020 to February 28, 2025.

Was confirmed by the Senate.

The nomination of

French, Daniel M. of Manchester Center - Secretary, Agency of Education - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 30, Nays 0.

Senator Campion having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

The nomination of

Walke, Peter of Montpelier - Commissioner, Department of Environmental Conservation - March 1, 2021 to February 28, 2023.

Was confirmed by the Senate.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Avila, Maria Mercedes of Burlington - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

Berry, Stuart of Belmont - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

O'Day, Katherine of White River Jct. - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

Pinkham, Kreig of Northfield - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

Davis, Clarence of Shelburne - Member Vermont Housing and Conservation Board - March 15, 2021 to January 31, 2023.

Was confirmed by the Senate.

The nomination of

McKenzie, Mary Alice of Colchester - Director Vermont Municipal Bond Bank - February 24, 2021 to January 31, 2023.

Was confirmed by the Senate.

The nomination of

Nicholson, Mark of Barre - Member Vermont Economic Progress Council - April 1, 2021 to March 31, 2025.

Was confirmed by the Senate.

The nomination of

Smith, Rachel of St. Albans - Member Vermont Economic Progress Council - April 1, 2021 to March 31, 2025.

Was confirmed by the Senate.

The nomination of

Davenport, Amy of Montpelier - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

Sparks, Henri of Colchester - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

The nomination of

Vastine, Karen of Burlington - Member Children and Family Council for Prevention Programs - March 1, 2021 to February 28, 2024.

Was confirmed by the Senate.

Adjournment

On motion of Senator Balint, the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Senate Resolution Referred

Senate resolution of the following title was offered, read the first time and is as follows:

By Senators Ram, Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, MacDonald, Lyons, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Sears, Sirotkin, Starr, Terenzini, Westman and White,

S.R. 11. Senate resolution honoring the memory of George Floyd by designating May 25, 2021 as a Day of Remembrance and Action.

Whereas, on May 25, 2020, four Minneapolis police officers, including Derek Chauvin, responded to a call that George Floyd, a Black man, was attempting to pay for a purchase with counterfeit currency, and

Whereas, despite George Floyd's pleas, Officer Chauvin knelt on George Floyd's neck unabated for more than nine minutes, and he became unresponsive and died, and

Whereas, Officer Chauvin was charged with third-degree murder, second-degree murder, and second-degree manslaughter, and

Whereas, on April 20, 2021, a Minnesota trial court jury found Officer Chauvin guilty of all three charges, and

Whereas, this verdict offers a historic opportunity for our nation and State to adopt a new course towards the administration of justice that is sensitive to America's racial diversity and the historic and continuing tensions between Americans who are Black, Indigenous, or Persons of Color and the law enforcement community, *now therefore be it*

Resolved by the Senate of the State of Vermont:

That the Senate of the State of Vermont honors the memory of George Floyd by designating May 25, 2021 as a Day of Remembrance and Action, *and be it further*

Resolved: That the Secretary of the Senate be directed to send a copy of this resolution to the Vermont Human Rights Commission, the Executive Director of Racial Equity, the Vermont chapters of the NAACP, and the Vermont Congressional Delegation.

Thereupon, the President, in her discretion, treated the joint resolution as a bill and referred it to the Committee on Economic Development, Housing and General Affairs.

Rules Suspended; House Proposal of Amendment Concurred In

S. 13.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to the implementation of the Pupil Weighting Factors Report.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

(a) 2018 Acts and Resolves No. 173, Sec. 11 directed the Agency of Education to undertake a study examining and evaluating the current formula used to weigh economically disadvantaged students, English language learners, and secondary-level students in Vermont for purposes of calculating equalized pupils. The study was also to consider whether new cost factors and weights should be included in the equalized pupil calculation.

(b) The findings from the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers, including national experts on student weighting, were stark, stating that “[n]either the factors considered by the [current] formula nor the value of the weights reflect contemporary educational circumstances and costs.” The Report also found that the current “values for the existing weights have weak ties, if any, with evidence describing the difference in the costs of educating students with disparate needs or operating schools in different contexts.”

(c) The major recommendations of the Report are straightforward, specifically that the General Assembly increase certain of the existing weights and that it add population density (rurality) as a new weighting factor, given the Report’s finding that rural districts pay more to educate a student. However, given the statewide and unique nature of Vermont’s education funding system and the reality that any change in the weighting formula is complex due to its relationship to other educational policies and will produce fluctuations in tax rates across the State, the General Assembly has chosen to develop a phased approach to revising the weighting formula.

Sec. 2. TASK FORCE ON THE IMPLEMENTATION OF THE PUPIL WEIGHTING FACTORS REPORT

(a) Creation. There is created the Task Force on the Implementation of the Pupil Weighting Factors Report. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Pupil Weighting Factors Report dated December 24, 2019 (Report), produced by a University of Vermont-led team of researchers.

(b) Membership.

(1) The Task Force shall be a legislative task force and shall be composed of the following eight members:

- (A) two members of the Senate Committee on Finance;
- (B) two members of the Senate Committee on Education;
- (C) two members of the House Committee on Ways and Means; and
- (D) two members of the House Committee on Education.

(2) Members from the House Committees shall be appointed by the Speaker of the House and shall not all be from the same party, and members from the Senate Committees shall be appointed by the Committee on Committees and shall not all be from the same party.

(c) Powers and duties. The Task Force shall recommend to the General Assembly an action plan and proposed legislation to ensure that all public school students have equitable access to educational opportunities, taking into account the Report, and shall:

(1) consider how to integrate the weighting calculations from the Report with Vermont's equalized pupil calculations, excess spending threshold, and yield calculations;

(2) consider how categorical aid can address differences in the costs of educating students across school districts;

(3) for the purpose of calculating equalized pupils, recommend age ranges to be included and how to define a "person from an economically deprived background" taking into account the current definition in 16 V.S.A. § 4001(8) and similar definitions in Part A, Title I, of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, and eligibility for free and reduced-priced lunch under the National School Lunch Act;

(4) in recognition that the current formula used to calculate equalized pupils uses more than one mathematical method, consider changes to the formula to simplify it and make its calculation more transparent;

(5) recommend statutory changes in the Agency of Education's powers and duties to ensure that all school districts are meeting education quality standards and improving student outcomes and opportunities;

(6) recommend how to transition to the recommended weights and categorical aid to promote equity and ease the financial impact on school districts during the transition, including the availability and use of federal funding;

(7) consider the relationship between the recommended weights and categorical aid and the changes to special education funding under 2018 Acts and Resolves No. 173, including the impact on federally required maintenance of effort and maintenance of financial support;

(8) consider the interaction between the recommended weights and categorical aid and the goals and outcomes of 1997 Acts and Resolves No. 60, 2003 Acts and Resolves No. 68, and 2015 Acts and Resolves No. 46, each as amended;

(9) recommend ways to mitigate the impacts on residential property tax rates and consider tax rate equity between districts; and

(10) recommend whether to modify, retain, or repeal the excess spending threshold under 32 V.S.A. § 5401(12) and 16 V.S.A. § 4001(6)(B).

(d) Consultant. The Task Force may retain a consultant or consultants to assist it with modeling education finance scenarios developed by the Task Force and in writing the report required under subsection (g) of this section.

(e) Collaboration. In performing its duties under this section, the Task Force shall collaborate with the State Board of Education, the Vermont Superintendents Association, the Vermont School Boards Association, the Vermont Council of Special Education Administrators, the Vermont Principals' Association, the Vermont Independent Schools Association, and the Vermont-National Education Association.

(f) Public meetings. The Task Force shall hold two or more meetings to share information and receive input from the public concerning its work, which may be part of or separate from its regular meetings. The Task Force shall include time during each of its meetings for public comment.

(g) Report. On or before December 15, 2021, the Task Force shall submit a written report to the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance with its action plan and proposed legislation.

(h) Meetings.

(1) The Joint Fiscal Office shall call the first meeting of the Task Force to occur on or before June 1, 2021.

(2) The Task Force shall select co-chairs from among its members at the first meeting, one a member of the House and the other a member from the Senate.

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

(i) Assistance. The Task Force shall have:

(1) Administrative assistance from the Joint Fiscal Office, which shall include organizing meetings and taking minutes.

(2) Technical assistance from the Agency of Education, the Department of Taxes, and the Joint Fiscal Office. If the consultant is retained, the Joint Fiscal Office shall contract with, and oversee the work of, the consultant.

(3) Legal assistance from Office of Legislative Counsel, which shall include legal advice and drafting proposed legislation.

(j) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 12 meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 3. WEIGHTING FACTORS SIMULATOR

The Agency of Education, in collaboration with the Joint Fiscal Office, shall create a user-friendly weighting factors simulator that will allow users to model the impact of proposed changes in weights on all school district tax rates. The creation of and use by the Task Force of the simulator shall be overseen by the Task Force.

Sec. 4. ADDITIONAL LEGISLATIVE ACTION

During the second year of the 2021–2022 biennium, the House and Senate Committees on Education, the House Committee on Ways and Means, and the Senate Committee on Finance shall consider the action plan and legislation proposed by the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act. It is the intent of the General Assembly that it pass legislation during the second year of the biennium that implements changes to how education is funded to ensure that all public school students have equitable access to educational opportunities.

Sec. 5. EXCESS SPENDING MORATORIUM

For fiscal years 2022 and 2023, for the purpose of determining a school district's education property tax rate under 32 V.S.A. chapter 135, education spending under 16 V.S.A. § 4001(6) and the education spending adjustments under 32 V.S.A. § 5401(13) shall be calculated without regard to excess spending under 32 V.S.A. § 5401(12) and 16 V.S.A. § 4001(6)(B).

Sec. 6. APPROPRIATION

The sum of \$25,000.00 is appropriated from the General Fund in fiscal year 2022 to the Joint Fiscal Office for consultant expenses of the Task Force on the Implementation of the Pupil Weighting Factors Report created under Sec. 2 of this act.

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

And that after passage the title of the bill be amended to read:

An act relating to the Pupil Weighting Factors Report.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

**Rules Suspended; Report of Committee of Conference Accepted and
Adopted on the Part of the Senate**

H. 360.

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to accelerated community broadband deployment.

Was taken up for immediate consideration.

Senator Cummings, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 360. An act relating to accelerated community broadband deployment.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Findings and Intent * * *

Sec. 1. FINDINGS AND INTENT

(a) The General Assembly finds that:

(1) For over a decade, Vermont has pursued many approaches and strategies designed to ensure that every Vermonter has access to reliable, affordable, high-speed broadband.

(2) In 2018, through Acts and Resolves No. 169, the General Assembly found that broadband is essential for supporting economic and educational opportunities, strengthening health and public safety networks, and reinforcing freedom of expression and democratic, social, and civic engagement.

(3) We further found in Act No. 169 that the lack of a thriving competitive market in Vermont, particularly in isolated locations, disadvantages the ability of consumers and businesses to protect their interests sufficiently, and we recognized that the State may exercise its traditional role in protecting consumers.

(4) In 2019, through Acts and Resolves No. 79, the General Assembly found that despite the FCC's "light-touch" regulatory approach under Title I of

the Communications Act of 1934, rather than “utility-style” regulation under Title II, existing broadband providers are not providing adequate service to many rural areas where fewer potential customers reduce the profitability necessary to justify network expansion.

(5) Accordingly, reaching the last mile will require a grassroots approach founded on input from and support of local communities. Existing broadband grant programs do not offer the scale to solve this problem, and traditional capital sources typically shy away from businesses with limited revenue history and little equity or collateral.

(6) To this end, public investment in programs and personnel that provide local communities with much-needed resources and technical assistance is required.

(7) In 2020, the COVID-19 public health emergency served as an accelerant to the socioeconomic disparities between the connected and the unconnected in our State. Vermonters who cannot access or cannot afford broadband, many of whom are geographically isolated, face challenges with respect to distance learning; remote working; accessing telehealth services; and accessing government programs and services, including our institutions of democracy, such as the court system.

(8) Indeed, the ongoing public health emergency has highlighted the extent to which robust and resilient broadband networks are critical to our economic future as a whole and provide a foundation for our educational, health care, public health and safety, and democratic institutions.

(9) Broadband infrastructure is critical infrastructure fundamental to accessing other critical services in sectors such as energy, public safety, government, health care, education, and commerce.

(10) The goal of universal broadband needs to be elevated as a top priority of the State to meet the economic, health, safety, educational, and social needs of Vermonters.

(11) While private broadband providers have brought broadband services to many households, businesses, and locations in Vermont, significant gaps remain.

(12) When existing broadband providers fail to achieve the goal of providing reliable, high-quality, universal broadband, it is imperative for the State to support and facilitate the construction of broadband infrastructure through financial and other means.

(13) Communications union districts (CUDs) were created by the State to coordinate and implement creative and innovative solutions in their

respective territories, particularly where existing providers are not providing adequate service that meets the needs of their residents and businesses while ensuring public accountability.

(14) CUDs are thus positioned to be the unofficial “provider of last resort” for broadband and ensure public accountability for serving all Vermonters within their respective service territories. Yet CUDs have limited access to financial capital necessary for expansion of broadband to unserved and underserved areas of the State.

(15) All Vermont electric ratepayers are supporting the rollout of clean energy technologies, however not all ratepayers are able to access those technologies because they do not have access to adequate broadband. Equity in the energy sector requires universal broadband.

(16) The Department of Public Service simultaneously plays a regulatory role in the telecommunications market while also supporting the development of CUDs in an unregulated competitive broadband market.

(17) To ensure universal broadband in Vermont, there is a need for greater coordination of grassroots broadband solutions both among the CUDs themselves and also with respect to their other potential partners, such as electric distribution utilities, nonprofit organizations, the federal government, and private broadband providers.

(18) In addition to broadband access, it is imperative for the State to address the critical issues of broadband affordability and adoption.

(19) The Department of Public Service estimates that 82 percent of Vermont addresses (254,000 locations) lack access to 100 Mbps symmetrical service. The total cost to provide 100 Mbps symmetrical service to each of these locations is approximately \$1,000,000,000.00. This figure is based on estimates in the Magellan Advisors’ report commissioned by the Department, and it includes estimates of both fixed and variable capital costs for fiber to the premise infrastructure (Feasibility Study of Electric Companies Offering Broadband in Vermont, dated December 31, 2019).

(b) Therefore, this act is intended to protect the public interest by:

(1) ensuring broadband availability to all Vermonters and Vermont addresses;

(2) ensuring public accountability for maintaining and upgrading critical broadband infrastructure;

(3) increasing the reliability of the electric grid and ensuring equal access to clean energy services among all electric ratepayers;

(4) protecting Vermonters' privacy and unrestricted access to the Internet;

(5) alleviating the inherent tension the Department of Public Service currently experiences as a result of its dual roles as both regulator and community project developer;

(6) directing public resources to the development of public broadband assets intended to provide universal access;

(7) developing favorable taxing, financing, and regulatory mechanisms to support communications union districts; and

(8) providing time-limited leadership for coordinating the buildout of Vermont's communications union districts and their partners and for developing financing mechanisms to fully support that buildout through a newly created State entity, the Vermont Community Broadband Board, designed specifically to effectuate these purposes.

* * * Vermont Community Broadband Board * * *

Sec. 2. 30 V.S.A. chapter 91A is added to read:

CHAPTER 91A: VERMONT COMMUNITY BROADBAND BOARD

§ 8081. PURPOSE

In recognition of the historic level of broadband funding currently available to the State and the critical need for broadband access and adoption, it is the purpose of this chapter to establish the Vermont Community Broadband Fund to support policies and programs designed to accelerate community efforts that advance the State's goal of achieving universal access to reliable, high-quality, affordable, fixed broadband and to establish the Vermont Community Broadband Board to coordinate, facilitate, support, and accelerate the development and implementation of universal community broadband solutions.

§ 8082. DEFINITIONS

As used in this chapter:

(1) "Board" means the Vermont Community Broadband Board.

(2) "Broadband service" or "broadband" means a mass-market retail service by wire or radio in Vermont that provides the capability to transmit data to and receive data from all or substantially all Internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up Internet access service.

(3) "Department" means the Department of Public Service.

(4) “Eligible provider” means:

(A) a communications union district;

(B) a small communications carrier; or

(C) an Internet service provider working in conjunction with a communications union district to expand broadband service to unserved and underserved locations as part of a plan to achieve universal broadband coverage in the district.

(5) “Fund” means the Vermont Community Broadband Fund established by this chapter.

(6) “Internet service provider” means a business that provides broadband Internet access service to any person in Vermont.

(7) “Location” means an E-911 business or residential address connected to the electric power grid.

(8) “Municipality” means a city, town, incorporated village, or unorganized town or gore.

(9) “Served” means a location that has access to broadband service capable of speeds of at least 25 Mbps download and 3 Mbps upload.

(10) “Small communications carrier” means a carrier:

(A) a carrier that has elected to be regulated under subsection 227d(a) of this title; or

(B) an Internet service provider that operates in not more than five counties.

(11) “Underserved” means a location that only has access to broadband service capable of speeds of at least 4 Mbps download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps upload.

(12) “Universal service plan” means a plan for providing each unserved and underserved location in a communications union district or in a municipality that was not part of a communications union district prior to June 1, 2021 access to broadband service capable of speeds of at least 100 Mbps download and 100 Mbps upload.

(13) “Unserved” means a location that only has access to broadband capable of speeds of less than 4 Mbps download and 1 Mbps upload.

§ 8083. VERMONT COMMUNITY BROADBAND FUND

(a) There is created a special fund in the State Treasury to be known as the “Vermont Community Broadband Fund.” Expenditures from the Fund shall be

made only to implement and effectuate the policies, purposes, and programs established in this chapter. The Fund shall be composed of any monies from time to time appropriated to the Fund by the General Assembly, transferred to the Fund pursuant to subsection 7523(b) of this title, or received from any other source, private or public, subject to the provisions of 32 V.S.A. § 5. Unexpended balances and any earnings shall remain in the Fund for use in accord with the purposes of this chapter.

(b) Authorized expenditures from the Fund include:

(1) grants pursuant to the Broadband Preconstruction Grant Program established in section 8085 of this chapter;

(2) grants pursuant to the Broadband Construction Grant Program established in section 8086 of this chapter;

(3) funding for communications workforce training and development, in consultation with the Commissioner of Labor, to the extent such funds are not available from other funding sources;

(4) funding for a comprehensive, statewide fiber-optic engineering design as specified in subdivision 8084(a)(6)(I) of this chapter;

(5) administrative expenses of grant recipients in an amount determined by the Board, subject to applicable federal law and guidance; and

(6) Up to \$1,500,000.00 annually to fund the operational expenses of the Board and the Department to the extent the Department's expenses support the work of the Board.

(c) Expenditures from the Fund shall be authorized by the Board.

§ 8084. VERMONT COMMUNITY BROADBAND BOARD

(a) Vermont Community Broadband Board. (1) There is created within the Department of Public Service the Vermont Community Broadband Board. The Board shall have approval authority with respect to budget development, program design, grant awards, and all other funding allocations pursuant to this chapter.

(2) The Board shall consist of five members as follows:

(A) two members appointed by the Governor who shall not be employees or officers of the State at the time of the appointment and at least one of whom shall have expertise in the area of finance and one of whom shall be selected by the Governor to serve as the Chair;

(B) one member appointed by the Speaker of the House who shall not be a member of the General Assembly at the time of the appointment and

who shall have expertise in the area of broadband deployment in rural, high-cost areas;

(C) one member appointed by the Senate Committee on Committees who shall not be a member of the General Assembly at the time of the appointment and who shall have expertise in the area of communications and electric utility law and policy; and

(D) one member appointed by the Vermont Communications Union District Association.

(3) The members may not be persons with a financial interest in or owners, employees, or members of a governing board of an Internet service provider or a communications union district; however, this provision shall not be construed to disqualify a member who has ownership in a mutual fund, exchange-traded fund, pension plan, or similar entity that owns shares in such enterprises as part of a broadly diversified portfolio. Members shall serve terms of three years beginning on February 1 of the year of appointment; however, the members first appointed by the Governor shall serve initial terms of four years, the member first appointed by the Speaker of the House shall serve an initial term of three years, and the member first appointed by the Committee on Committees shall serve an initial term of two years. A vacancy shall be filled by the respective appointing authority for the balance of the unexpired term. A member may be reappointed. A member may be removed for cause only.

(4) At its initial organizational meeting, and annually thereafter at the first meeting following February 1, the Board shall elect from among its members a vice chair. The Board may elect officers as it may determine. Meetings shall be held at the call of the Chair or at the request of two members. A majority of sitting members shall constitute a quorum, and action taken by the Board under the provisions of this chapter may be authorized by a majority of the members present and voting at any regular or special meeting.

(5) Members are entitled to a per diem in the amount of \$250.00 for each day spent in the performance of their duties and each member shall be reimbursed for his or her reasonable expenses incurred in carrying out his or her duties under this chapter.

(6) The Board shall have all the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter, including the power to:

(A) coordinate and facilitate community broadband efforts;

(B) provide resources to communications union districts in the form of administrative and technical support;

(C) provide grants for the preconstruction and construction costs of broadband projects;

(D) facilitate partnerships between communications union districts and their potential partners;

(E) develop policies or recommend to the General Assembly programs that promote a strong communications workforce in Vermont;

(F) develop policies or recommend to the General Assembly programs that promote access to affordable broadband service plans;

(G) consult with the Vermont Economic Development Board and the Vermont Municipal Bond Bank with regard to financing community broadband projects;

(H) identify and publish State, federal, nonprofit, and any other broadband funding opportunities;

(I) contract for a comprehensive, statewide fiber-optic engineering design to identify strategies that maximize fiber-optic buildout efficiency and ensure resiliency and interoperability of all existing fiber-optic networks built with public or ratepayer funds, and that takes into consideration all proposed publicly funded fiber-optic projects, the development of which shall not be required or impede the disbursement of grants under this chapter;

(J) provide input to the Department of Public Service on the development of the State's Telecommunications Plan; and

(K) do any and all things necessary or convenient to effectuate the purposes and provisions of this chapter and to carry out its purposes and exercise the powers given and granted in this chapter.

(7) The Department shall provide the Board with administrative services.

(8) All meetings of the Board shall be open to the public and conducted in accordance with the Vermont Open Meeting Law. All records of the Board are subject to the Vermont Public Records Act. Any records or information produced or acquired by the Board that are trade secrets or confidential business information shall be exempt from public inspection and copying pursuant to 1 V.S.A. § 317(c)(9).

(b) Executive Director. (1) The Vermont Community Broadband Fund shall have an Executive Director. The initial Executive Director shall be appointed by the Governor with the advice and consent of the Senate, and subsequent executive directors shall be hired by the Board. The Executive Director shall be an employee of the Department of Public Service. The

Executive Director shall be overseen and managed by the Board and shall serve as its chief administrative officer. The Executive Director shall direct and supervise the Board's administrative affairs and technical activities in accordance with Board policies. In addition to any other duties necessary for carrying out the purposes of this chapter, the Executive Director shall:

(A) work with the Board in developing and implementing the programs established by this chapter;

(B) approve all accounts of the Board, including accounts for salaries, per diems, and allowable expenses of any employee or consultant thereof and expenses incidental to the operation of the Board;

(C) make recommendations to the Board for grant awards or other forms of financial or technical assistance authorized by this chapter;

(D) make an annual report to the Board documenting the actions of the Board and such other reports as the Board may request; and

(E) perform such other duties as may be directed by the Board in the carrying out of the purposes and provisions of this chapter.

(2) The Executive Director may retain or employ technical experts and other officers, agents, employees, and contractors as are necessary to give effect to the purposes of this chapter, including in the areas of finance, network planning, engineering and technical design, and grant writing, and may fix their qualifications, duties, and compensation. The Executive Director shall oversee and manage the Rural Broadband Technical Assistance Specialist created in subsection 7523(b) of this title. The Executive Director is authorized to hire additional full-time employees pursuant to this subdivision who shall be part of the classified service created in 3 V.S.A. chapter 13.

(c) Administration. The Fund shall be administered by the Department. The Department is authorized to expend monies from the Fund in accordance with this chapter. The Commissioner shall make all decisions necessary to implement this chapter and administer the Fund except those decisions committed to the Board under this section. The Department shall ensure an open public process in the administration of the Fund for the purposes established in this chapter.

(d) Grant administration redesignation. The Board shall be redesignated as the responsible entity for administering the \$1,000,000.00 grant award to the Department of Public Service by the Northern Border Regional Commission for the purpose of supporting communications union districts. Any position funded by the grant shall be overseen and managed by the Board in a manner that is consistent with grant terms and conditions.

§ 8085. BROADBAND PRECONSTRUCTION GRANT PROGRAM

(a) There is established the Community Broadband Preconstruction Grant Program to be administered by the Board. The purpose of the Program is to provide grants to communications union districts for preconstruction costs related to broadband projects that are part of a universal service plan.

(b) As used in this section, “preconstruction costs” include expenses for feasibility studies, business planning, pole data surveys, engineering and design, and make-ready work associated with the construction of broadband networks, including consultant, legal, and administrative expenses, and any other costs deemed appropriate by the Board.

(c) To ensure an equitable distribution of funds under this Program and to encourage collaborative work among communications union districts, grant awards shall be scalable and shall be commensurate with the size of a broadband project as determined by the project’s service area, road mileage, the number of unserved or underserved locations, or any other metric deemed appropriate by the Board. In addition, the Board may develop standards for the disbursement of grant funds in a manner that both supports the efficient and timely use of funds and also ensures accountability.

§ 8086. BROADBAND CONSTRUCTION GRANT PROGRAM

(a) There is established the Broadband Construction Grant Program to finance the broadband projects of eligible providers that are part of a universal service plan.

(b) In evaluating grant proposals under this chapter, the Board shall give priority to broadband projects that:

(1) leverage existing private resources and assets, with a high priority given to partnerships between a communications union district and a distribution utility;

(2) demonstrate project readiness;

(3) provide broadband service that complies with the consumer protection and net neutrality standards established in 3 V.S.A. § 348;

(4) support low-income or disadvantaged communities;

(5) promote geographic diversity of fund allocations;

(6) provide consumers with affordable service options; and

(7) include public broadband assets that can be shared by multiple service providers and that can support a variety of public purposes.

(c) The Board shall establish policies and standard grant terms and conditions that:

(1) reflect payment schedules that ensure maximum accountability;

(2) adopt an industry-accepted engineering standard that promotes network reliability, resiliency, and interoperability;

(3) establish standards for recouping grant funds and transferring ownership of grant-funded network assets to the State if a grantee materially fails to comply with the terms and conditions of a grant;

(4) establish a continuity of operations plan applicable to a network owned by a communications union district that, among other things, contemplates the Board assuming operational control of a network if necessary to maintain uninterrupted broadband service;

(5) prohibit the sale or transfer of grant-funded network assets without the prior written approval of the Board;

(6) allow an applicant to seek reconsideration of an adverse Board decision;

(7) ensure project completion within a reasonable period of time and consistent with applicable federal law and guidance; and

(8) comply with Administrative Bulletin No. 5, the Agency of Administration's policy for grant issuance and monitoring and Administrative Bulletin 3.5 the Agency of Administration's policy for procurement and contracting procedures, as appropriate, and any other requirements of federal law and guidance, if applicable.

(d) Before the Board awards a grant under this section, it shall determine that the applicant has produced a viable business plan for its proposed broadband project, which takes into consideration network engineering and design, labor needs and availability, supply-chain contingencies for equipment and materials, make-ready work, and any other relevant capital and operational expenses.

(e) The Board shall not award a grant to an eligible provider who is not a communications union district unless the Board determines that the provider's universal service plan does not conflict with or undermine the universal service plan of an existing communications union district.

(f) The Board may provide a grant to an eligible provider that enables the provision of broadband service in a geographic area currently served, provided that:

(1) the proposed project is a cost-effective method for providing broadband service to nearby unserved and underserved locations that is capable of speeds of at least 100 Mbps download and 100 Mbps upload;

(2) any overbuild is incidental to the overall objectives of the universal service plan required for funding under this Program; and

(3) before awarding the grant, the Board makes a reasonable effort to distinguish served and unserved or underserved locations within the geographic area, including recognition and consideration of known or probable service extensions or upgrades.

(g) It is the intent of the General Assembly that a broadband project financed under this Program demonstrates an economically sustainable business model that ultimately will be eligible for financing in the private or municipal bond market.

§ 8087. CENTRALIZED RESOURCES FOR COMMUNICATIONS UNION DISTRICTS

(a) The Board shall provide centralized resources and technical and administrative support to communications union districts with respect to the planning, development, and implementation of broadband projects.

(b) In carrying out the purpose of this section, the Board shall:

(1) develop standardized forms, contracts, network business and design models, and templates for use by any communications union district;

(2) assist communications union districts with identifying and negotiating with potential partners, including with respect to the development of a memorandum of understanding or other form of legally-binding commitment pertaining to a broadband project;

(3) when authorized by one or more communications union districts, apply for grants, loans, permits, licenses, certificates, or approvals, or enter into contractual arrangements for goods or services on behalf of or jointly with a communications union district or districts;

(4) assist communications union districts with pursuing route identification for fiber-optic infrastructure and with obtaining pole surveys and negotiating pole attachments;

(5) assist communications union districts with completing grant and loan applications for funding opportunities that exist outside this chapter; and

(6) assist communications union districts with obtaining access to fiber-optic networks owned by the State or by an electric distribution utility, where appropriate.

§ 8088. INTERAGENCY COOPERATION AND ASSISTANCE

Other departments and agencies of the State government, including the E-911 Board, shall assist and cooperate with the Board and shall make available to it information and data as needed to assist the Board in carrying out its duties. The Secretary of Administration shall establish protocols and agreements among the Board and departments and agencies of the State for this purpose. Nothing in this section shall be construed to waive any privilege or protection otherwise afforded to the data and information under exemption to the Public Records Act or under other laws due solely to the fact that the information or data is shared with the Board pursuant to this section.

§ 8089. ANNUAL REPORT

(a) Notwithstanding 2 V.S.A. § 20(d), on or before January 15 of each year, the Board shall submit a report of its activities pursuant to this chapter for the preceding year to the Senate Committees on Finance and on Natural Resources and Energy, the House Committee on Energy and Technology, and the Joint Information Technology Oversight Committee. The report shall include an operating and financial statement covering the Board's operations during the year, including a summary of all grant awards and contracts and agreements entered into by the Board. In addition, the report shall include a description of the progress each start-up communications union district has made in achieving long-term financial sustainability that is not dependent upon public funding, an update on its efforts to secure additional federal funds for broadband deployment, and progress made towards meeting the State's goal of ensuring every E-911 location has access to broadband capable of delivering a minimum of 100 Mbps symmetrical service as required in subdivision 202c(b)(10) of this title.

(b) As part of its first annual report, the Board shall include recommended legislation for policies and programs not authorized under this chapter but consistent with its purpose or for any other policies and programs it deems appropriate. The report shall include recommendations concerning increased access to and use of fiber-optic networks owned by the State or by an electric distribution utility in furtherance of the goals of this chapter. In addition, and with input from relevant stakeholders, the Board shall make recommendations on whether and to what extent authorized expenditures under the Fund should be expanded to include:

(1) funding for equipment replacement in the Department of Libraries' FiberConnect Network;

(2) funding for building-wide Wi-Fi installations at multi-unit affordable housing owned by nonprofits and housing authorities for the purpose of

providing free broadband service to the residents thereof;

(3) funding for digital inclusion efforts, such as subsidized customer equipment installations and broadband service, grants for long-term affordability planning, and outreach and digital literacy training;

(4) funding for co-worker spaces;

(5) additional funding for communications workforce development initiatives; and

(6) funding for any other broadband programs or initiatives.

§ 8089a. SUNSET; TRANSFER PLAN

(a) The Fund and Board shall cease to exist on July 1, 2029.

(b) As part of its annual report submitted on or before January 15, 2029, the Board shall develop a plan for transferring its assets, liabilities, and legal and contractual obligations to another appropriate State entity. The Board may include in its report a recommendation regarding the continued existence of the Board beyond its statutory sunset date.

Sec. 3. ORGANIZATIONAL MEETING; SPACE ALLOCATION

(a) Within 60 days following the effective date of this act, the Vermont Community Broadband Board shall hold its initial organizational meeting and the Governor shall appoint an Executive Director.

(b) Within 60 days following the effective date of this act, the Commissioner of Buildings and General Services shall allocate space for the Vermont Community Broadband Board.

Sec. 4. REPEALS

The following provisions of law are repealed:

(1) 2019 Acts and Resolves No. 79, Sec. 10 (Broadband Innovation Grant Program); and

(2) 2020 Acts and Resolves No. 154, Sec. B1105.2 (amending the Broadband Innovation Grant Program).

Sec. 5. POSITIONS

(a) The position of Rural Broadband Technical Assistance Specialist shall be subject to the oversight and management of the Commissioner of Public Service until the appointment of the Executive Director of the Vermont Community Broadband Board. The position shall remain in the classified service created in 3 V.S.A. chapter 13.

(b) The Commissioner is authorized to hire one full-time employee to provide administrative services for the Board. This position shall be part of the classified service created in 3 V.S.A. Chapter 13. The Commissioner is authorized to hire one full-time attorney to provide legal services for the Board. This position shall be an exempt position and shall be subject to the oversight and management of the Executive Director of the Vermont Community Broadband Board upon his or her appointment. The salaries and benefits for these two positions shall constitute expenses that are to be reimbursed to the Department from the Fund pursuant to 30 V.S.A. § 8083(b)(5).

Sec. 6. INTERIM GRANTS; DEPARTMENT OF PUBLIC SERVICE

Notwithstanding any other provision of law to the contrary, to ensure the expeditious disbursement of available funds prior to the organization of the Vermont Community Broadband Board, the Department is authorized to allocate and disburse up to a total of \$20,000,000.00, or up to \$25,000,000.00 if an additional \$5,000,000.00 is approved by the Joint Fiscal Committee, under the Broadband Preconstruction Grant Program and the Broadband Construction Grant Program on or before December 31, 2021 or until the Board is operational, whichever occurs first.

* * * Transfer of Fiber-optic Assets * * *

Sec. 7. TRANSFER OF FIBER-OPTIC ASSETS

On or before September 30, 2021, subject to review and approval by the State Treasurer, the Department of Public Service shall transfer ownership of its fiber-optic assets to the communications union district in which those assets are located. The transfer shall include the transfer of rights and obligations under any existing contracts or lease agreements with third parties regarding the maintenance or use of the fiber-optic assets. In addition, the transfer shall include a requirement that, upon the dissolution of a communications union district, any such fiber assets shall become the property of the State to be managed by the Department of Public Service. A communications union district may refuse to accept the transfer of assets authorized by this section, in which case the assets shall remain the property of the Department of Public Service. Nothing in this section shall preclude the Department from transferring fiber-optic assets to a communications union district that initially declined to accept such assets prior to September 30, 2021.

* * * Universal Service Charge; 0.4 Percent Revenue; Vermont Community
Broadband Fund * * *

Sec. 7a. 30 V.S.A. § 7516 is amended to read:

§ 7516. CONNECTIVITY FUND

(a) There is created a Connectivity Fund for the purpose of providing support to the High-Cost Program established under section 7515 of this chapter and the Connectivity Initiative established under section 7515b of this chapter. The fiscal agent shall determine annually, on or before November 1, the amount of monies available to the Connectivity Fund. Such funds shall be apportioned as follows: 45 percent to the High-Cost Program and 55 percent to the Connectivity Initiative.

~~(b) Of the money transferred to the Connectivity Fund pursuant to subsection 7523(b) of this title, up to \$120,000.00 shall be appropriated annually to the Department of Public Service to fund a Rural Broadband Technical Assistance Specialist whose duties shall include providing outreach, technical assistance, and other support services to communications union districts established pursuant to chapter 82 of this title and other units of government, nonprofit organizations, cooperatives, and for-profit businesses for the purpose of expanding broadband service to unserved and underserved locations. Support services also may include providing business model templates for various approaches, including formation of or partnership with a cooperative, a communications union district, a rural economic development infrastructure district, an electric utility, or a new or existing Internet service provider as operator of the network. Any remaining funds shall be used to support the Connectivity Initiative established under section 7515b of this title. [Repealed.]~~

Sec. 7b. 30 V.S.A. § 7523(b) is amended to read:

(b) Beginning on July 1, 2019, the rate of charge established under subsection (a) of this section shall be increased by four-tenths of one percent of retail telecommunications service, and the monies collected from this increase shall be transferred to the Connectivity Fund established under section 7516 of this title Vermont Community Broadband Fund established under section 8083 of this title, and up to \$120,000.00 shall be used to fund a Rural Broadband Technical Assistance Specialist whose duties shall include providing outreach, technical assistance, and other support services to communications union districts established pursuant to chapter 82 of this title and other units of government, nonprofit organizations, cooperatives, and for-profit businesses for the purpose of expanding broadband service to unserved and underserved locations. Support services also may include providing

business model templates for various approaches, including formation of or partnership with a cooperative, a communications union district, a rural economic development infrastructure district, an electric utility, or a new or existing Internet service provider as operator of the network.

* * * Connectivity Initiative; Department of Public Service * * *

Sec. 7c. 30 V.S.A. § 7515b is amended to read:

§ 7515b. CONNECTIVITY INITIATIVE

(a) The purpose of the Connectivity Initiative is to provide each service location in Vermont access to ~~Internet service~~ broadband that is capable of speeds of at least 25 Mbps download and 3 Mbps. Within this category of service locations, priority shall be given first to unserved and then to underserved locations. As used in this section, “unserved” means a location ~~having access to only satellite or dial-up Internet service that only has access to broadband capable of speeds of less than 4 Mbps download and 1 Mbps upload~~ and “underserved” means a location ~~having access to Internet service with speeds that exceed satellite and dial-up speeds but are less than that only has access to broadband capable of speeds of at least 4 Mbps download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps upload. Any new services funded in whole or in part by monies from this Initiative shall be capable of being continuously upgraded to reflect the best available, most economically feasible service capabilities.~~

(b) The Department of Public Service shall publish annually a list of ~~census blocks~~ E-911 locations eligible for funding based on the Department’s most recent broadband mapping data. The Department annually shall solicit proposals from service providers to deploy broadband to eligible ~~census blocks~~ E-911 locations. Funding shall be available for capital improvements only, not for operating and maintenance expenses, and shall be available only for projects that the Department determines do not conflict with or undermine the deployment plans of a communications union district. The Department shall give priority to proposals that reflect the lowest cost of providing services to unserved and underserved locations; however, the Department also shall consider:

(1) the proposed data transfer rates and other data transmission characteristics of services that would be available to consumers;

(2) the price to consumers of services;

(3) the proposed cost to consumers of any new construction, equipment installation service, or facility required to obtain service;

- (4) whether the proposal would use the best available technology that is economically feasible;
- (5) the availability of service of comparable quality and speed; ~~and~~
- (6) the objectives of the State's Telecommunications Plan; and
- (7) the extent to which a proposal leverages federal or private funding opportunities.

(c) In order to ensure that grants are disbursed based on the value of work completed, the Department shall develop with each grantee a payment schedule that reflects the verified percentage of project completion. To verify project completion, the grantee shall retain a Department-approved third party to conduct independent field testing, which the Department may supplement with provider-supplied data and crowd-sourced user data. If deemed necessary by the Department, the Department may advance a grantee funds necessary for project commencement. The Department shall retain five percent of an award for two years after project completion to ensure continued compliance with contract terms. A grantee shall reimburse the Department any funds received for contracted work that is not completed pursuant to contract specifications.

(d) The Department shall maintain a publicly accessible inventory of completed broadband projects financed in whole or in part with grants under this section.

* * * Connectivity Initiative; Vermont Community Broadband Board * * *

Sec. 7d. 30 V.S.A. § 7515b is amended to read:

§ 7515b. CONNECTIVITY INITIATIVE

(a) The Connectivity Initiative shall be administered by the Vermont Community Broadband Board. The purpose of the Connectivity Initiative is to provide each service location in Vermont access to broadband that is capable of speeds of at least 25 Mbps download and 3 Mbps upload, or the FCC speed requirements established under Connect America Fund Phase II, whichever is higher, ~~beginning with locations not served as of December 31, 2013 according to the minimum technical service characteristic objectives applicable at that time~~ 100 Mbps symmetrical. Within this category of service locations, priority shall be given first to unserved and then to underserved locations that are part of a plan to achieve universal broadband coverage in a community or communications union district. As used in this section, "unserved" means a location that only has access to broadband capable of speeds of less than 4 Mbps download and 1 Mbps upload and "underserved" means a location that only has access to broadband capable of speeds of at least 4 Mbps download and 1 Mbps upload but less than 25 Mbps download and 3 Mbps upload.

(b) The Department of Public Service shall publish annually a list of E-911 locations eligible for funding based on the Department's most recent broadband mapping data. The ~~Department~~ Board annually shall solicit proposals from communications union districts and from service providers working in conjunction with a communications union district to provide universal broadband service in a community or communications union district, to deploy broadband to eligible E-911 locations. Funding shall be available for capital improvements only, not for operating and maintenance expenses, and shall be available only for projects that the Department determines do not conflict with or undermine the deployment plans of a communications union district. The ~~Department~~ Board shall give priority to proposals that reflect the lowest cost of providing services to unserved and underserved locations; however, the ~~Department~~ Board also shall consider:

(1) the proposed data transfer rates and other data transmission characteristics of services that would be available to consumers;

(2) the price to consumers of services;

(3) the proposed cost to consumers of any new construction, equipment installation service, or facility required to obtain service;

(4) whether the proposal would use the best available technology that is economically feasible;

(5) the availability of service of comparable quality and speed;

(6) the objectives of the State's Telecommunications Plan; and

(7) the extent to which a proposal leverages federal or private funding opportunities.

(c) In order to ensure that grants are disbursed based on the value of work completed, the ~~Department~~ Board shall develop with each grantee a payment schedule that reflects the verified percentage of project completion. To verify project completion, the grantee shall retain a ~~Department-approved~~ Board-approved third party to conduct independent field testing, which the ~~Department~~ Board may supplement with provider-supplied data and crowd-sourced user data. If deemed necessary by the ~~Department~~ Board, the ~~Department~~ Board may advance a grantee funds necessary for project commencement. The ~~Department~~ Board shall retain five percent of an award for two years after project completion to ensure continued compliance with contract terms. A grantee shall reimburse the ~~Department~~ Board any funds received for contracted work that is not completed pursuant to contract specifications.

(d) The ~~Department~~ Board shall maintain a publicly accessible inventory of completed broadband projects financed in whole or in part with grants under this section.

* * * Telecommunications and Connectivity Advisory Board * * *

Sec. 8. 30 V.S.A. § 202f is amended to read:

§ 202f. TELECOMMUNICATIONS AND CONNECTIVITY ADVISORY BOARD

(a) There is created the Telecommunications and Connectivity Advisory Board for the purpose of making recommendations to the Commissioner of Public Service regarding his or her telecommunications responsibilities and duties as provided in this section. The Connectivity Advisory Board shall consist of eight members selected as follows:

- (1) the State Treasurer or designee;
- (2) the Secretary of Commerce and Community Development or designee;
- (3) five at-large members appointed by the Governor, who shall not be employees or officers of the State at the time of appointment; and
- (4) the Secretary of Transportation or designee.

(b) A quorum of the Connectivity Advisory Board shall consist of four voting members. No action of the Board shall be considered valid unless the action is supported by a majority vote of the members present and voting and then only if at least four members vote in favor of the action. The Governor shall select, from among the at-large members, a chair and vice chair.

(c) In making appointments of at-large members, the Governor shall give consideration to citizens of the State with knowledge of telecommunications technology, telecommunications regulatory law, transportation rights-of-way and infrastructure, finance, environmental permitting, and expertise regarding the delivery of telecommunications services in rural, high-cost areas. However, the five at-large members may not be persons with a financial interest in or owners or employees of an enterprise that provides broadband or cellular service or that is seeking in-kind or financial support from the Department of Public Service. The conflict of interest provision in this subsection shall not be construed to disqualify a member who has ownership in a mutual fund, exchange traded fund, pension plan, or similar entity that owns shares in such enterprises as part of a broadly diversified portfolio. The at-large members shall serve terms of two years beginning on February 1 in odd-numbered years and until their successors are appointed and qualified. However, three of the five at-large members first appointed by the Governor

shall serve an initial term of three years. Vacancies shall be filled for the balance of the unexpired term. A member may be reappointed for up to three consecutive terms. Upon completion of a term of service for any reason, including the term's expiration or a member's resignation, and for one year from the date of such completion, a former Board member shall not advocate before the Connectivity Board, Department of Public Service, or the Public Utility Commission on behalf of an enterprise that provides broadband or cellular service.

(d) Except for those members otherwise regularly employed by the State, the compensation of the Board's members is that provided by 32 V.S.A. § 1010(a). All members of the Board, including those members otherwise regularly employed by the State, shall receive their actual and necessary expenses when away from home or office upon their official duties.

(e) In performing its duties, the Connectivity Advisory Board may use the legal and technical resources of the Department of Public Service. The Department of Public Service shall provide the Board with administrative services.

(f) The Connectivity Advisory Board shall:

~~(1) have review and nonbinding approval authority with respect to the awarding of grants under the Connectivity Initiative. The Commissioner shall have sole authority to make the final decision on grant awards, as provided in subsection (g) of this section.~~

(2) function in an advisory capacity to the Commissioner on the development of State telecommunications policy and planning, including the action plan required under subdivision 202e(b)(6) of this chapter and the State Telecommunications Plan; and

~~(3) annually advise the Commissioner on the development of requests for proposals under the Connectivity Initiative.~~

~~(4) annually provide the Commissioner with recommendations for the apportionment of funds to the High-Cost Program and the Connectivity Initiative.~~

~~(5)~~(2) annually provide the Commissioner with recommendations on the appropriate Internet access speeds for publicly funded telecommunications and connectivity broadband projects.

~~(g) The Commissioner shall make an initial determination as to whether a proposal submitted under the Connectivity Initiative meets the criteria of the request for proposals. The Commissioner shall then provide the Connectivity Advisory Board a list of all eligible proposals and recommendations. The~~

~~Connectivity Advisory Board shall review the recommendations of the Commissioner and may review any proposal submitted, as it deems necessary, and either approve or disapprove each recommendation and may make new recommendations for the Commissioner's final consideration. The Commissioner shall have final decision-making authority with respect to the awarding of grants under the Connectivity Initiative. If the Commissioner does not accept a recommendation of the Board, he or she shall provide the Board with a written explanation for such decision.~~

(h) On November 15, 2019, and annually thereafter, the Commissioner shall submit to the Connectivity Advisory Board an accounting of monies in the Connectivity Fund and anticipated revenue for the next year.

~~(i)~~(h) The Chair shall call the first meeting of the Connectivity Advisory Board. The Chair or a majority of Board members may call a Board meeting. The Board may meet up to six times a year.

~~(j)~~(i) At least annually, the Connectivity Advisory Board and the Commissioner or designee shall jointly hold a public meeting to review and discuss the status of State telecommunications policy and planning, the Telecommunications Plan, the Connectivity Fund, the Connectivity Initiative, the High-Cost Program, and any other matters they deem necessary to fulfill their obligations under this section.

~~(k)~~(j) Information and materials submitted by a telecommunications service provider concerning confidential financial or proprietary information shall be exempt from public inspection and copying under the Public Records Act, nor shall any information that would identify a provider who has submitted a proposal under the Connectivity Initiative be disclosed without the consent of the provider, unless a grant award has been made to that provider. Nothing in this subsection shall be construed to prohibit the publication of statistical information, determinations, reports, opinions, or other information ~~so long as provided~~ the data are disclosed in a form that cannot identify or be associated with a particular telecommunications service provider.

* * * VEDA; Broadband Expansion Loan Program; Lending Capacity * * *

Sec. 9. 10 V.S.A. § 280ee is amended to read:

§ 280ee. BROADBAND EXPANSION LOAN PROGRAM

(a) Creation. There is established within the Authority the Vermont Broadband Expansion Loan Program ~~(the Program)~~, the purpose of which is to enable the Authority to make loans that expand broadband service to unserved and underserved Vermonters as part of a plan to achieve universal broadband coverage in a municipality or communications union district.

(b) Intent. It is understood that loans under the Program may be high-risk loans to likely start-up businesses and therefore losses in the Program may be higher than the Authority's historical loss rate. Loans shall be underwritten by the Authority utilizing underwriting parameters that acknowledge the higher risk nature of these loans. The Authority shall not make a loan unless the Authority has a reasonable expectation of the long-term viability of the business. The Program is intended to provide start-up loans until such time as the borrower can refinance the loans through, for example, the municipal revenue bond market.

(c)(1) Requirements. The Authority shall make loans for start-up and expansion ~~that enable Internet service providers to expand broadband availability of broadband projects~~ in unserved and underserved locations as part of a plan to achieve universal broadband coverage in a municipality or communications union district.

(2) The Authority shall establish policies and procedures for the Program necessary to ensure the expansion of broadband availability to the largest number of Vermont addresses as possible. The policies shall specify that:

(A) loans may be made in an amount of up to \$4,000,000.00;

(B) eligible borrowers ~~include~~ are ~~communications union districts and other units of government, nonprofit organizations, cooperatives, and for-profit businesses;~~

(i) communications union districts;

(ii) Internet service providers working in conjunction with a communications union district to expand broadband service to unserved and underserved locations as part of a plan to achieve universal broadband coverage in the district; and

(iii) Internet service providers working in conjunction with a municipality that was not part of a communications union district prior to June 1, 2021 to expand broadband service to unserved and underserved locations as part of a plan to achieve universal broadband coverage in such municipality;

(C) a loan shall not exceed 90 percent of project costs;

~~(D)~~ interest and principal may be deferred up to ~~two~~ three years;

~~(E)~~(D) a maximum of \$10,800,000.00 in Authority loans may be made outstanding under the Program commencing on June 20, 2019; ~~and~~

~~(F)~~(E) the provider shall offer to all customers broadband service that is capable of speeds of at least 100 Mbps symmetrical; and

(F) not more than one-sixth of the total allowable loans under this Program shall be available to eligible borrowers under subdivision (2)(B)(iii) of this subsection (c).

(3) To ensure the limited funding available through the Program supports the highest-quality broadband available to the most Vermonters and prioritizes delivering services to the unserved and underserved, the Authority shall consult with the Department of Public Service and the Vermont Community Broadband Board.

(d) On or before January 1, 2020, and annually thereafter, the Authority shall submit a report of its activities pursuant to this section to the Senate Committee on Finance and the House Committees on Commerce and Economic Development and on Energy and Technology. Each report shall include operating and financial statements for the two most recently concluded State fiscal years. In addition, each report shall include information on the Program portfolio, including the number of projects financed; the amount, terms, and repayment status of each loan; and a description of the broadband projects financed in whole or in part by the Program.

Sec. 10. 10 V.S.A. § 280ff is amended to read:

§ 280ff. FUNDING

(a) The State Treasurer, in consultation with the Secretary of Administration, shall negotiate an agreement with the Authority incorporating the provisions of this section and consistent with the requirements of this subchapter.

~~(b) Repayment from or appropriation State appropriations to the Authority in years 2021 and until the Program terminates is~~ are based on the Authority's contributions to loan loss reserves for the Program in accordance with generally accepted accounting principles. Any difference between the actual loan losses incurred by the Authority in a fiscal year ~~2020 through Program termination~~ shall be adjusted in the following year's appropriation.

~~(1) The Program shall terminate when all borrowers enrolled in the Program have repaid in full or loans have been charged-off against the reserves of the Authority.~~

~~(2) Upon termination of the Program, any remaining funds held by the Authority and not used for the Program shall be repaid to the State~~ This is a revolving loan program.

(3)(2) The accumulated total of the appropriation shall not exceed \$8,500,000.00 over the life of the Program.

(4)(3) The Authority shall absorb its historical loan loss reserve rate before any State funds are expended.

(5)(4) Additionally, the Authority shall absorb up to \$3,000,000.00 in Program losses shared with the State on a pro rata basis.

* * * CUDs; Public Records Act; Trade Secret Exemption; Intent * * *

Sec. 11. 30 V.S.A. § 3084 is added to read:

§ 3084. CONFIDENTIALITY; LEGISLATIVE INTENT

The purpose of this section is to clarify that any records or information produced or acquired by a district that are trade secrets or confidential business information shall be exempt from public inspection and copying pursuant to 1 V.S.A. § 317(c)(9).

* * * Property Tax Exemption; Broadband Infrastructure * * *

Sec. 12. 32 V.S.A. § 3802 is amended to read:

§ 3802. PROPERTY TAX

The following property shall be exempt from taxation:

* * *

(19) Real and personal property, except land, owned by an electric distribution utility that comprises broadband infrastructure, including structures, machinery, lines, poles, wires, and fixtures, provided the infrastructure is leased to a communications union district or to an Internet service provider working in conjunction with a communications union district, and is primarily for the purpose of providing broadband service capable of speeds of at least 100 Mbps symmetrical. This exemption applies only to broadband infrastructure constructed on or after July 1, 2021.

Sec. 13. 32 V.S.A. § 3800(n) is added to read:

(n) The statutory purpose of the exemptions for broadband infrastructure in subdivision 3802(19) of this title is to lower the cost of broadband deployment in unserved and underserved areas of Vermont.

Sec. 14. 32 V.S.A. § 3602a is amended to read:

§ 3602a. FACILITIES USED IN THE GENERATION, TRANSMISSION,
OR DISTRIBUTION OF ELECTRIC POWER

All structures, machinery, poles, wires, and fixtures of all kinds and descriptions used in the generation, transmission, or distribution of electric

power that are so fitted and attached as to be part of the works or facilities used to generate, transmit, or distribute electric power shall be set in the grand list as real estate. Nothing in this section shall alter the scope of the ~~exemption in subdivision~~ exemptions in subdivisions 3803(2) and 3802(19) of this title, nor shall it alter the taxation of municipally owned improvements accorded by section 3659 of this title.

Sec. 15. 32 V.S.A. § 3620 is amended to read:

§ 3620. ELECTRIC UTILITY POLES, LINES, AND FIXTURES

Electric utility poles, lines, and fixtures owned by nonmunicipal utilities shall be taxed at appraisal value as defined by section 3481 of this title, except as provided under subdivision 3802(19) of this title.

* * * Communications Workforce Development * * *

Sec. 16. BROADBAND OCCUPATIONAL NEEDS SURVEY

(a) The Commissioner of Labor shall conduct an occupational needs survey to determine workforce needs in the communications sector specific to broadband buildout and maintenance. In conducting this survey, the Commissioner shall solicit input from employers and subcontractors throughout the State. The Department of Public Service and communications union districts shall assist the Department of Labor in identifying employers with workforce needs connected to this act. The purpose of the survey is to identify current and future employment opportunities and the prerequisite skills needed for widespread worker recruitment and building a talent pipeline to support the goals of this act.

(b) The Commissioner shall report his or her findings and recommendations to the relevant legislative committees of jurisdiction on or before January 15, 2022.

(c) Employers who do not participate in supplying information for this report will not be eligible for grant funding under this act.

Sec. 17. FTTX; INCUMBENT TRAINING PROGRAM

Vermont Technical College, in consultation with the Vermont Department of Labor, shall establish an incumbent training program for communications installers and technicians. The goal of the program is to provide skills upgrades for existing employees. Up to \$40,000.00 is appropriated from the Vermont Department of Labor's fiscal year 2022 Training Fund to support this training program.

Sec. 18. BROADBAND INSTALLER APPRENTICESHIP PROGRAM

The Commissioner of Labor, working with broadband employers, shall establish a federally registered apprenticeship program that meets one or more occupational needs related to the installation and maintenance of broadband networks.

* * * Easements; Private Property; Fiber * * *

Sec. 19. 30 V.S.A. § 127 is added to read:

§ 127. UTILITY POLES IN EASMENTS ACROSS PRIVATE PROPERTY

(a) Utility easements and State rules regarding utility rights of way and pole attachments shall include as an authorized utility use the installation of fiber-optic cable for purposes of providing broadband service to the public or for providing utility network management and monitoring, or both. Such use of the utility easement and right of way is generally of the type contemplated in utility easements, does not materially burden the landowner beyond what was intended in the conveyance or condemnation, serves the public good, and facilitates the construction of broadband networks as contemplated in this act.

(b) This section shall apply to all utility easements and State rules in effect on or after the effective date of this act. This section shall not apply to an easement that contains an express prohibition on the installation and operation of fiber-optic cable.

* * * Legislative Priorities for Federal Funds * * *

Sec. 20. LEGISLATIVE PRIORITIES; FEDERAL FUNDS

With respect to federal funds potentially available to the State of Vermont in fiscal years 2021 and 2022, the General Assembly establishes as a high priority providing support for community efforts that advance the State's goal of achieving universal access to reliable, high-quality, affordable broadband consistent with the policies, purposes, and programs established under 30 V.S.A. chapter 91A, concerning the Vermont Community Broadband Board established in Sec. 2 of this act.

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

This act shall take effect on passage, except that:

(1) Secs. 12-15 (property tax exemption for broadband infrastructure) shall take effect on July 1, 2021; and

(2) Sec. 4 (repeal of the Broadband Innovation Grant Program), Sec. 7d (administration of the Connectivity Initiative by the Vermont Community

Broadband Authority), and Sec. 8 (Telecommunications and Connectivity Advisory Board) shall take effect on January 1, 2022.

*ANN E. CUMMINGS
CHRISTOPHER A. PEARSON
RANDOLPH D. BROCK*

Committee on the part of the Senate

*TIMOTHY C. BRIGLIN
LAURA H. SIBILIA
AVRAM I. PATT*

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 426.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to addressing the needs and conditions of public school facilities in the State.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

First: In Sec. 3, school facilities inventory and conditions assessment; Agency of Education; Department of Buildings and General Services; report, in subsection (a), by striking out “coordination” and inserting in lieu thereof “consultation”

Second: In Sec. 10, State Energy Management Program; financing for schools, by striking out “coordination” and inserting in lieu thereof “consultation”

Third: In Sec. 12, radon testing; school facilities; Department of Health, in the title, by striking out “; Department of Health”; by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) On or before June 30, 2023, each public school and approved independent school, as defined in 16 V.S.A. § 11, shall perform a radon measurement in accordance with the ANSI/AARST protocol for conducting

Radon and Radon Decay Products in Schools and Large Buildings (MALB-2014) on any facility that has not had a test completed in five or more years; provided, however, that any public school or approved independent school that is engaged in implementing an indoor air quality improvement project prior to June 30, 2023 shall perform a radon measurement on or before June 30, 2024.

and in subsection (b), by inserting “and approved independent school” after “public school”

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 435.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to miscellaneous Department of Corrections-related amendments.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

First: In Sec. 2, 28 V.S.A. § 123, in subsection (b), in subdivision (1), following “shall be composed of the following,” by striking out “nine” and inserting in lieu thereof “eight”

Second: In Sec. 2, 28 V.S.A. § 123, in subsection (b), in subdivision (1), by striking out subdivisions (F)–(H) in their entireties and inserting in lieu thereof the following:

(F) a former management-level employee of the Department of Corrections with experience in corrections management, appointed by the Governor; and

(G) an individual at large with knowledge of and experience in the correctional system, crime prevention, human resources, or compliance, appointed by the Governor.

Third: In Sec. 2, 28 V.S.A. § 123, in subsection (c), in subdivision (2), following “The Commission may,” by striking out “interview current Department employees and individuals in the custody of the Department,

review exit interview records for former Department employees” and inserting in lieu thereof “engage with current and former Department employees and individuals in the custody of the Department, review the Analysis of State of Vermont Employee Engagement Survey Results from the Department of Human Resources”

Fourth: In Sec. 2, 28 V.S.A. § 123, in subsection (c), in subdivision (4), following “Beginning on January 1, 2023,” by striking out “, report annually” and inserting in lieu thereof “, submit an annual report”

Fifth: By striking out Sec. 3, sunset of Corrections Monitoring Commission, in its entirety and inserting in lieu thereof a new Sec. 3 to read as follows:

Sec. 3. SUNSET OF CORRECTIONS MONITORING COMMISSION
REPORT; SUNSET OF COMMISSION

(a) 28 V.S.A. § 123(c)(4) (Commission report) is repealed on July 1, 2024.

(b) 28 V.S.A. § 123 (Department of Corrections Monitoring Commission) is repealed on July 1, 2025.

Sixth: In Sec. 4, implementation of the Corrections Monitoring Commission, in subsection (c), in subdivision (1), by striking out subdivisions (F)–(H) in their entireties and inserting in lieu thereof the following:

(F) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(F) of Sec. 2 of this act for a two-year term; and

(G) the Governor shall appoint a member to fill the position designated in subdivision (b)(1)(G) of Sec. 2 of this act for a one-year term.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, was decided in the affirmative.

**Rules Suspended; House Proposal of Amendment to Senate Proposal of
Amendment Concurred In**

J.R.H. 2.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to joint resolution entitled:

Joint resolution sincerely apologizing and expressing sorrow and regret to all individual Vermonters and their families and descendants who were harmed as a result of State-sanctioned eugenics policies and practices.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

In the first Whereas clause, by striking out the phrase “and the title of the book *Breeding Better Vermonters* by Nancy L. Gallagher accurately describes the movement’s purported intent,”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; Bills Messaged

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 360, H. 426, H. 435.

Rules Suspended; Joint Resolution Messaged

On motion of Senator Balint, the rules were suspended, and the following joint resolution was ordered messaged to the House forthwith:

J.R.H. 2.

Rules Suspended; Bill Delivered

On motion of Senator Balint, the rules were suspended, and the following bill was ordered delivered to the Governor forthwith:

S. 13.

Recess

On motion of Senator Balint the Senate recessed until 5:00 P.M..

Called to Order

The Senate was called to order by the President *pro tempore*.

Message from the House No. 76

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 444. An act relating to approval of amendments to the charter of the City of Barre.

In the passage of which the concurrence of the Senate is requested.

The House has considered bills originating in the Senate of the following titles:

S. 7. An act relating to expanding access to expungement and sealing of criminal history records.

S. 97. An act relating to miscellaneous judiciary procedures.

And has passed the same in concurrence with proposals of amendment in the adoption of which the concurrence of the Senate is requested.

Message from the House No. 77

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 25. An act relating to miscellaneous cannabis regulation procedures.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House bill:

H. 313. An act relating to miscellaneous amendments to alcoholic beverage laws.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

Adjournment

On motion of Senator Perchlik, the Senate adjourned until ten o'clock in the morning.

THURSDAY, MAY 20, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 78

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 454. An act relating to approval of an amendment to the charter of the City of Burlington.

In the passage of which the concurrence of the Senate is requested.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 115. An act relating to making miscellaneous changes in education laws.

And has concurred therein.

Bill Introduced

Senate bill of the following title was introduced, read the first time and referred:

S. 149.

By Senators Ram, Baruth and Hardy,

An act relating to eliminating life without parole.

To the Committee on Judiciary.

Bills Referred

House bills of the following titles were severally read the first time and referred:

H. 444.

An act relating to approval of amendments to the charter of the City of Barre.

To the Committee on Rules.

H. 454.

An act relating to approval of an amendment to the charter of the City of Burlington.

To the Committee on Rules.

Third Reading Ordered**J.R.H. 6.**

Senator Hardy, for the Committee on Health and Welfare, to which was referred joint House resolution entitled:

Joint resolution relating to racism as a public health emergency.

Reported that the joint resolution ought to be adopted in concurrence.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, and third reading of the joint resolution was ordered.

House Proposals of Amendment Concurred In**S. 47.**

House proposals of amendment to Senate bill entitled:

An act relating to motor vehicle manufacturers, dealers, and warranty or service facilities.

Were taken up.

The House proposes to the Senate to amend the bill as follows:

First: In Sec. 2, 9 V.S.A. § 4085(18), in subdivision (18), by striking out the words “zero emissions” and inserting in lieu thereof “zero-emission”

Second: In Sec. 2, 9 V.S.A. § 4085(18), in subdivision (18)(D), by striking out the words “zero emissions” and inserting in lieu thereof “zero-emission”

Third: In Sec. 3, 9 V.S.A. § 4086(i), in subdivision (i)(3), by striking out the words “zero emissions” and inserting in lieu thereof “zero-emission”

Fourth: By striking out Sec. 4, 9 V.S.A. § 4097, in its entirety and inserting in lieu thereof the following:

Sec. 4. 9 V.S.A. § 4097 is amended to read:

§ 4097. MANUFACTURER VIOLATIONS

It shall be a violation of this chapter for any manufacturer defined under this chapter:

* * *

(8)(A) To compete with a new motor vehicle dealer ~~in the same line-~~
~~make~~ operating under an agreement or franchise from the aforementioned
manufacturer ~~in the relevant market area~~ in the State.

(B) For purposes of this subdivision (8), any manufacturer that is not
a non-franchised zero-emission vehicle manufacturer competes with a new

motor vehicle dealer if it engages in the business of any of the following with respect to new motor vehicles:

- (i) selling or leasing;
- (ii) offering to sell or lease; or
- (iii) soliciting or advertising the sale or lease.

(C) A manufacturer shall not, however, be deemed to be competing when operating a dealership either temporarily for a reasonable period, or in a bona fide retail operation that is for sale to any qualified independent person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the dealership and can reasonably expect to acquire full ownership of the dealership on reasonable terms and conditions.

* * *

Sec. 4a. 9 V.S.A. § 4097(8) is amended to read:

(8)(A) To compete with a new motor vehicle dealer operating under an agreement or franchise from the aforementioned manufacturer in the State.

(B) For purposes of this subdivision (8), any manufacturer that is not a non-franchised zero-emission vehicle manufacturer competes with a new motor vehicle dealer if it engages in the business of any of the following with respect to new motor vehicles or the retail sale of parts and accessories for those new motor vehicles:

- (i) selling or leasing;
- (ii) offering to sell or lease; or
- (iii) soliciting or advertising the sale or lease; or
- (iv) offering through a subscription or like agreement.

* * *

Fifth: By striking out Sec. 6, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 6. EFFECTIVE DATES

(a) Sec. 4a (9 V.S.A. § 4097(8); manufacturer violations) shall take effect on July 1, 2022.

(b) All other sections shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment?, was decided in the affirmative.

House Proposals of Amendment Concurred In**S. 48.**

House proposals of amendment to Senate bill entitled:

An act relating to Vermont's adoption of the interstate Nurse Licensure Compact.

Were taken up.

The House proposes to the Senate to amend the bill as follows:

First: By adding a new section to be Sec. 1a to read as follows:

Sec. 1a. SECRETARY OF STATE; OFFICE OF PROFESSIONAL
REGULATION; REPORT

On or before January 15, 2024, the Office of Professional Regulation shall report to the House Committees on Health Care and on Government Operations and to the Senate Committees on Health and Welfare and on Government Operations concerning the implementation of 26 V.S.A. chapter 28, subchapter 5, including:

(1) the number of compact licensees and single state licenses issued annually following the adoption of the Nurse Licensure Compact and noting how many of those license fees were paid by a licensee and how many were paid by an employer or other entity on behalf of a licensee;

(2) the resources necessary to implement the Nurse Licensure Compact ;

(3) the fiscal impact on the Vermont State Board of Nursing's special fund; and

(4) if the Office of Professional Regulation determines that implementation of the Nurse Licensure Compact has resulted in a reduction of revenue available to the Vermont Board of Nursing, the Office shall include in its report:

(A) a proposal to manage the reduction through administrative efficiencies; and

(B) if the Office is not able to manage the reduction in revenue through administrative efficiencies, a proposal to address the reduction through an increase in the license fee for a compact multistate license only.

Second: In Sec. 1, 26 V.S.A. chapter 28, subchapter 5, in section 1648, in subsection (a), in subdivision (2), following "taken against that nurse;" by inserting "and" and by striking out subdivision (a)(3) in its entirety and redesignating subdivision (a)(4) to be subdivision (a)(3)

Thereupon, the question, Shall the Senate concur in the House proposals of amendment?, was decided in the affirmative.

Rules Suspended; Bills Delivered

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered delivered to the Governor forthwith:

S. 47, S. 48.

Message from the House No. 79

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 62. An act relating to creating incentives for new remote and relocating workers.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

Adjournment

On motion of Senator Balint, the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Joint Resolution Adopted in Concurrence

J.R.H. 6.

On motion of Senator Balint, the rules were suspended and Joint House resolution entitled:

Joint resolution relating to racism as a public health emergency.

Was taken up for immediate consideration and placed on all remaining stages of its adoption in concurrence forthwith.

Thereupon, the joint resolution was read the third time and adopted.

Rules Suspended; House Proposal of Amendment Concurred In**S. 7.**

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to expanding access to expungement and sealing of criminal history records.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 5301 is amended to read:

§ 5301. DEFINITIONS

As used in this chapter:

* * *

(7) "Listed crime" means any of the following offenses:

- (A) stalking as defined in section 1062 of this title;
- (B) aggravated stalking as defined in subdivision 1063(a)(3) or (4)(b) of this title;
- (C) domestic assault as defined in section 1042 of this title;
- (D) first degree aggravated domestic assault as defined in section 1043 of this title;
- (E) second degree aggravated domestic assault as defined in section 1044 of this title;
- (F) sexual assault as defined in section 3252 of this title or its predecessor as it was defined in section 3201 or 3202 of this title;
- (G) aggravated sexual assault as defined in section 3253 of this title;
- (H) lewd or lascivious conduct as defined in section 2601 of this title;
- (I) lewd or lascivious conduct with a child as defined in section 2602 of this title;
- (J) murder as defined in section 2301 of this title;
- (K) aggravated murder as defined in section 2311 of this title;
- (L) manslaughter as defined in section 2304 of this title;

- (M) aggravated assault as defined in section 1024 of this title;
- (N) assault and robbery with a dangerous weapon as defined in subsection 608(b) of this title;
- (O) arson causing death as defined in section 501 of this title;
- (P) assault and robbery causing bodily injury as defined in subsection 608(c) of this title;
- (Q) maiming as defined in section 2701 of this title;
- (R) kidnapping as defined in section 2405 of this title or its predecessor as it was defined in section 2401 of this title;
- (S) unlawful restraint in the second degree as defined in section 2406 of this title;
- (T) unlawful restraint in the first degree as defined in section 2407 of this title;
- (U) recklessly endangering another person as defined in section 1025 of this title;
- (V) violation of abuse prevention order as defined in section 1030 of this title, excluding violation of an abuse prevention order issued pursuant to 15 V.S.A. § 1104 (emergency relief) or 33 V.S.A. § 6936 (emergency relief);
- (W) operating vehicle under the influence of alcohol or other substance with either death or serious bodily injury resulting as defined in 23 V.S.A. § 1210(f) and (g);
- (X) ~~careless or~~ negligent or grossly negligent operation resulting in serious bodily injury or death as defined in 23 V.S.A. § 1091(b);
- (Y) leaving the scene of an accident with serious bodily injury or death as defined in 23 V.S.A. § 1128(b) or (c);
- (Z) burglary into an occupied dwelling as defined in subsection 1201(c) of this title;
- (AA) the attempt to commit any of the offenses listed in this section;
- (BB) abuse (section 1376 of this title), abuse by restraint (section 1377 of this title), neglect (section 1378 of this title), sexual abuse (section 1379 of this title), financial exploitation (section 1380 of this title), and exploitation of services (section 1381 of this title);
- (CC) aggravated sexual assault of a child in violation of section 3253a of this title;
- (DD) human trafficking in violation of section 2652 of this title; and

(EE) aggravated human trafficking in violation of section 2653 of this title.

Sec. 2. 13 V.S.A. § 7282 is amended to read:

§ 7282. SURCHARGE

* * *

(b) The surcharges imposed by this section shall not be waived by the court except as part of an expungement or sealing proceeding where the petitioner demonstrates an inability to pay.

* * *

Sec. 3. 33 V.S.A. § 5119 is amended to read:

§ 5119. SEALING OF RECORDS

* * *

(e)(1) Except as provided in subdivision (2) of this subsection, upon the entry of an order sealing such files and records under this section, the proceedings in the matter ~~under this act~~ shall be considered never to have occurred, all general index references ~~thereto~~ to the sealed record shall be deleted, and the person, the court, and law enforcement officers and departments shall reply to any request for information that no record exists with respect to such person upon inquiry in any matter. Copies of the order shall be sent to each agency or official named in the order.

(2)(A) Any court, agency, or department that seals a record pursuant to an order under this section may keep a special index of files and records that have been sealed. This index shall only list the name and date of birth of the subject of the sealed files and records and the docket number of the proceeding ~~which~~ that was the subject of the sealing. The special index shall be confidential and may be accessed only for purposes for which a department or agency may request to unseal a file or record pursuant to subsection (f) of this section.

(B) Access to the special index shall be restricted to the following persons:

(i) the commissioner and general counsel of any administrative department;

(ii) the secretary and general counsel of any administrative agency;

(iii) a sheriff;

(iv) a police chief;

(v) a State's Attorney;
 (vi) the Attorney General;
 (vii) the Director of the Vermont Crime Information Center; and
 (viii) a designated clerical staff person in each office identified in subdivisions (i)–(vii) of this subdivision (B) who is necessary for establishing and maintaining the indices for persons who are permitted access.

(C) Persons authorized to access an index pursuant to subdivision (B) of this subdivision (2) may access only the index of their own department or agency.

* * *

(g) On application of a person who has pleaded guilty to or has been convicted of the commission of a crime under the laws of this State ~~which~~ that the person committed prior to attaining ~~the age of 21~~ 25 years of age, or on the motion of the court having jurisdiction over such a person, after notice to all parties of record and hearing, the court shall order the sealing of all files and records related to the proceeding if it finds:

(1) two years have elapsed since the final discharge of the person;

(2) the person has not been convicted of a listed crime as defined in 13 V.S.A. § 5301 or adjudicated delinquent for such an offense ~~after the initial conviction~~ for 10 years prior to the application or motion, and no new proceeding is pending seeking such conviction or adjudication; and

(3) the person's rehabilitation has been attained to the satisfaction of the court.

* * *

Sec. 4. 23 V.S.A. § 2303 is added to read:

§ 2303. EXPUNGEMENT OF VIOLATION RECORDS

(a) Expungement. Two years following the satisfaction of a judgment resulting from an adjudication or conviction of a violation identified in this subsection the Judicial Bureau shall make an entry of "expunged" and notify the Department of Motor Vehicles of such action consistent with the data transfer policy between the Judicial Bureau and the Department. The data transfer to the Department shall include the name, date of birth, ticket number, offense, license number, and personal identifying number. The Judicial Bureau shall make the expungement entry pursuant to this section for the following violations:

(1) section 301 of this title (operating an unregistered vehicle);

- (2) subsection 307(a) of this title (failing to possess registration);
- (3) section 611 of this title (failing to possess license);
- (4) subsection 676(a) of this title (operating after suspension);
- (5) section 601 of this title (operating without a license);
- (6) section 800 of this title (operating without insurance); and
- (7) subsection 1222(c) of this title (operating an uninspected vehicle).

(b) Effect of expungement.

(1) Upon entry of an expungement order, the order shall be legally effective immediately and the individual whose record is expunged shall be treated in all respects as if he or she had never been convicted or adjudicated of the violation. This includes the expungement of any points accumulated pursuant to chapter 25 of this title.

(2) Upon an entry of expunged, the case will be accessible only by the Clerk of the Court for the Judicial Bureau or the Clerk's designee. Convictions or adjudications that have been expunged shall not appear in the results of any Judicial Bureau database search by name, date of birth, driver's license number, or any other data identifying the defendant. Except as provided in subsection (c) of this section, any documents or other records related to an expunged conviction or adjudication that are maintained outside the Judicial Bureau's case management system shall be destroyed.

(3) Upon receiving an inquiry from any person regarding an expunged record, the Judicial Bureau and Department of Motor Vehicles shall respond that "NO RECORD EXISTS."

(c) Exception for research entities. Research entities that maintain conviction or adjudication records for purposes of collecting, analyzing and disseminating criminal justice data shall not be subject to the expungement requirements established in this section. Research entities shall abide by the policies established by the Court Administrator and shall not disclose any identifying information from the records they maintain.

(d) Policies for implementation. The Court Administrator shall establish policies for implementing this section.

Sec. 5. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE;
EXPUNGEMENT AND SEALING STUDY

During the 2021 legislative interim, the Joint Legislative Justice Oversight Committee shall consider how to simplify and automate the process of expungement and sealing of criminal history records and consider a

comprehensive policy that provides an avenue for expungement or sealing of records for all or most offenses except those listed in 33 V.S.A. § 5204(a). In its analysis of what offenses should be eligible, the Committee shall consider whether to exclude from eligibility those offenses associated with and resulting from domestic and sexual violence. The Committee shall propose legislation for the 2022 legislative session on its recommendations regarding:

(1) a policy to make all or most criminal history records eligible for sealing or expungement, except for conviction records of offenses listed in 33 V.S.A. § 5204(a) and any other offenses the Committee deems appropriate for exclusion;

(2) the individuals or entities that should have access to sealed criminal history records;

(3) whether Vermont should continue to employ a two-track system that provides for sealing or expungement of criminal history records based on the nature of the offense, or whether Vermont should employ a one-track system that provides for either sealing or expungement for all eligible offenses;

(4) implementing an automated process, not requiring a petition, to seal and expunge criminal conviction records that provides for notice to the prosecuting office and an opportunity for the prosecutor to oppose the sealing or expungement.

Sec. 6. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred In

S. 25.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous cannabis regulation procedures.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Town Vote on Retail Sales * * *

Sec. 1. 7 V.S.A. § 863 is amended to read:

§ 863. REGULATION BY LOCAL GOVERNMENT

(a)(1) Prior to a cannabis retailer or the retail portion of an integrated licensee operating within a municipality, the municipality shall affirmatively permit the operation of such cannabis establishments by majority vote of those present and voting by Australian ballot at an annual or special meeting warned for that purpose. A municipality may place retailers or integrated licensees, or both, on the ballot for approval.

* * *

* * * Cannabis Control Board Advisory Committee * * *

Sec. 2. 7 V.S.A. § 843 is amended to read:

§ 843. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

* * *

(c) Membership.

* * *

(4) A member may be removed only for cause by the remaining members of the Commission in accordance with the Vermont Administrative Procedure Act. The Board shall adopt rules pursuant to 3 V.S.A. chapter 25 to define the basis and process for removal.

* * *

(h) Advisory committee.

(1) There is an advisory committee established within the Board that shall be composed of members with expertise and knowledge relevant to the Board's mission. The Board shall collaborate with the advisory committee on recommendations to the General Assembly. The advisory committee shall be composed of the following ~~12~~ 14 members:

(A) one member with an expertise in public health, appointed by the Governor;

(B) the Secretary of Agriculture, Food and Markets or designee;

(C) one member with an expertise in laboratory science or toxicology, appointed by the Governor;

(D) one member with an expertise in systemic social justice and equity issues, appointed by the Speaker of the House;

(E) one member with an expertise in ~~women~~ women- and minority-owned business ownership, appointed by the Speaker of the House;

(F) ~~one member with an expertise in substance misuse prevention, appointed by the Senate Committee on Committees~~ the Chair of the Substance Misuse Prevention Oversight and Advisory Council or designee;

(G) one member with an expertise in the cannabis industry, appointed by the Senate Committee on Committees;

(H) one member with an expertise in business management or regulatory compliance, appointed by the Treasurer;

(I) one member with an expertise in municipal issues, appointed by the ~~Treasurer~~ Senate Committee on Committees;

(J) one member with an expertise in public safety, appointed by the Attorney General;

(K) one member with an expertise in criminal justice reform, appointed by the Attorney General; ~~and~~

(L) the Secretary of Natural Resources or designee;

(M) the Chair of the Cannabis for Symptom Relief Oversight Committee or designee; and

(N) one member appointed by the Vermont Cannabis Trade Association.

(2) Initial appointments to the advisory committee as provided in subdivision (1) of this subsection (h) shall be made on or before ~~May 1, 2021~~ July 1, 2021.

* * *

Sec. 3. [Deleted.]

Sec. 4. 2019 Acts and Resolves No. 164, Sec. 5 is amended to read:

Sec. 5. CANNABIS CONTROL BOARD REPORT TO THE GENERAL ASSEMBLY; PROPOSAL FOR POSITIONS, FEES, AND APPROPRIATIONS FOR FISCAL YEARS 2022 AND 2023; LAND USE, ENVIRONMENTAL, ENERGY, AND EFFICIENCY REQUIREMENTS OR STANDARDS; ADVERTISING; OUTREACH, TRAINING, AND EMPLOYMENT PROGRAMS; ONLINE ORDERING AND DELIVERY; ADDITIONAL TYPES OF LICENSES

(a) On or before April 1, 2021, the Executive Director of the Cannabis Control Board shall provide recommendations to the General Assembly on the

following:

~~(1) Resources necessary for implementation of this act for fiscal years 2022 and 2023, including positions and funding. The Board shall consider utilization of current expertise and resources within State government and cooperation with other State departments and agencies where there may be an overlap in duties.~~

~~(2) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to Sec. 6e of this act.~~

~~(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.~~

~~(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.~~

~~(3) Whether monies expected to be generated by State fees identified in subdivision (2) of this subsection are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.~~

~~(4) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.~~

* * *

Sec. 4a. CANNABIS CONTROL BOARD REPORT; FEES

On or before October 1, 2021, the Cannabis Control Board shall provide recommendations to the House Committee on Ways and Means, the Senate Committee on Finance, and the House and Senate Committees on Government Operations on the following:

(1) State fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The State fees submitted in accordance with this subdivision shall be projected to be sufficient to fund the duties of the Cannabis Control Board as provided in 7 V.S.A. § 843. To the extent possible, the recommend fees shall include an amount to repay over a period, not greater than 10 years, to the General Fund any application of excise taxes to the Cannabis Regulation Fund made pursuant to 2019 Acts and Resolves No. 164, Sec. 6c.

(A) Application fees, initial annual license fees, and annual license renewal fees for each type of cannabis establishment license as provided in 7 V.S.A. § 846: cultivator, product manufacturer, wholesaler, retailer, testing laboratory, and integrated. If the Board establishes tiers within a licensing category, it shall provide a fee recommendation for each tier.

(B) Fee for a cannabis establishment identification card as provided in 7 V.S.A. § 884.

(2) Whether monies expected to be generated by State fees identified in subdivision (1) of this section are sufficient to support the statutory duties of the Board and whether any portion of the tax established pursuant to 32 V.S.A. § 7902 should be allocated to the Cannabis Regulation Fund to ensure these duties are met.

(3) Local fees to be charged and collected in accordance with the Board's authority pursuant to 7 V.S.A. § 846. The recommendations shall be accompanied by information justifying the recommended rate as required by 32 V.S.A. § 605(d). The Board shall recommend local fees that are designed to help defray the costs incurred by municipalities in which cannabis establishments are located.

Sec. 4b. CANNABIS CONTROL BOARD REPORTING REQUIRMENTS;
THC

On or before November 1, 2021, the Cannabis Control Board shall report to the General Assembly on the following:

(1) recommendations as to whether integrated licensees and product manufacturers licensees should be permitted to produce solid concentrate products with greater than 60 percent THC for purposes of incorporation into other cannabis products that otherwise comply with restrictions in 7 V.S.A. § 868 (prohibited products) and rules promulgated by the Board pursuant to 7 V.S.A. § 881(a)(3); and

(2) recommendations developed in consultation with the Agency of Agriculture as to whether the Board should permit hemp or CBD to be converted to Delta-9 THC and, if so, how it should be regulated.

Sec. 4c. CANNABIS CONTROL BOARD; POSITIONS

The following new permanent positions are created in the Cannabis Control Board:

- (1) one full-time, exempt General Counsel; and
- (2) one full-time, classified Administrative Assistant.

* * * Advertising * * *

Sec. 5. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

(1) “Advertise” means the publication or dissemination of an advertisement.

(2) “Advertisement” means any written or verbal statement, illustration, or depiction that is calculated to induce sales of cannabis or cannabis products, including any written, printed, graphic, or other material, billboard, sign, or other outdoor display, other periodical literature, publication, or in a radio or television broadcast, the Internet, or in any other media. The term does not include:

(A) any label affixed to any cannabis or cannabis product, or any individual covering, carton, or other wrapper of that container that constitutes a part of the labeling under provisions of these standards;

(B) any editorial or other reading material, such as a news release, in any periodical or publication or newspaper for the publication of which no money or valuable consideration is paid or promised, directly or indirectly, by any cannabis establishment, and that is not written by or at the direction of the licensee;

(C) any educational, instructional, or otherwise noncommercial material that is not intended to induce sales and that does not propose an economic transaction, but that merely provides information to the public in an unbiased manner; or

(D) a sign attached to the premises of a cannabis establishment that merely identifies the location of the cannabis establishment.

(3) “Affiliate” means a person that directly or indirectly owns or controls, is owned or controlled by, or is under common ownership or control with another person.

~~(2)~~(4) “Applicant” means a person that applies for a license to operate a cannabis establishment pursuant to this chapter.

~~(3)~~(5) “Board” means the Cannabis Control Board.

~~(4)~~(6) “Cannabis” shall have the same meaning as provided in section 831 of this title.

~~(5)~~(7) “Cannabis cultivator” or “cultivator” means a person licensed by the Board to engage in the cultivation of cannabis in accordance with this chapter.

~~(6)~~(8) “Cannabis establishment” means a cannabis cultivator, wholesaler, product manufacturer, retailer, or testing laboratory licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

~~(7)~~(9) “Cannabis product” shall have the same meaning as provided in section 831 of this title.

~~(8)~~(10) “Cannabis product manufacturer” or “product manufacturer” means a person licensed by the Board to manufacture cannabis products in accordance with this chapter.

~~(9)~~(11) “Cannabis retailer” or “retailer” means a person licensed by the Board to sell cannabis and cannabis products to adults 21 years of age and older for off-site consumption in accordance with this chapter.

~~(10)~~(12) “Cannabis testing laboratory” or “testing laboratory” means a person licensed by the Board to test cannabis and cannabis products in accordance with this chapter.

~~(11)~~(13) “Cannabis wholesaler” or “wholesaler” means a person licensed by the Board to purchase, process, transport, and sell cannabis and cannabis products in accordance with this chapter.

~~(12)~~(14) “Chair” means the Chair of the Cannabis Control Board.

~~(13)~~(15) “Characterizing flavor” means a taste or aroma, other than the taste or aroma of cannabis, imparted either prior to or during consumption of a cannabis product. The term includes tastes or aromas relating to any fruit, chocolate, vanilla, honey, maple, candy, cocoa, dessert, alcoholic beverage, mint, menthol, wintergreen, herb or spice, or other food or drink or to any conceptual flavor that imparts a taste or aroma that is distinguishable from cannabis flavor but may not relate to any particular known flavor.

~~(14)~~(16) “Child-resistant packaging” means packaging that is designed or constructed to be significantly difficult for children under five years of age to open or obtain a toxic or harmful amount of the substance in the container within a reasonable time and not difficult for normal adults to use properly, but does not mean packaging that all children under five years of age cannot open or obtain a toxic or harmful amount of the substance in the container within a reasonable time.

~~(15)~~(17) “Controls,” “is controlled by,” and “under common control” mean the power to direct, or cause the direction or management and policies of a person, whether through the direct or beneficial ownership of voting securities, by contract, or otherwise. A person who directly or beneficially owns 10 percent or more equity interest, or the equivalent thereof, of another person shall be deemed to control the person.

~~(16)~~(18) “Dispensary” means a business organization licensed pursuant to chapter 37 of this title or 18 V.S.A. chapter 86.

~~(17)~~(19) “Enclosed, locked facility” means a building, room, greenhouse, outdoor fenced-in area, or other location that is enclosed on all sides and prevents cannabis from easily being viewed by the public. The facility shall be equipped with locks or other security devices that permit access only by:

(A) Employees, agents, or owners of the cultivator, all of whom shall be 21 years of age or older.

(B) Government employees performing their official duties.

(C) Contractors performing labor that does not include cannabis cultivation, packaging, or processing. Contractors shall be accompanied by an employee, agent, or owner of the cultivator when they are in areas where cannabis is being grown, processed, packaged, or stored.

(D) Registered employees of other cultivators, members of the media, elected officials, and other individuals 21 years of age or older visiting the facility, provided they are accompanied by an employee, agent, or owner of the cultivator.

~~(18)~~(20) “Flavored oil cannabis product” means any oil cannabis product that contains an additive to give it a characterizing flavor.

~~(19)~~(21) “Integrated licensee” means a person licensed by the Board to engage in the activities of a cultivator, wholesaler, product manufacturer, retailer, and testing laboratory in accordance with this chapter.

~~(20)~~(22) “Municipality” means a town, city, or incorporated village.

(21)(23) “Person” shall include any natural person; corporation; municipality; the State of Vermont or any department, agency, or subdivision of the State; and any partnership, unincorporated association, or other legal entity.

(22)(24) “Plant canopy” means the square footage dedicated to live plant production and does not include areas such as office space or areas used for the storage of fertilizers, pesticides, or other products.

(23)(25) “Principal” means an individual vested with the authority to conduct, manage, or supervise the business affairs of a person, and may include the president, vice president, secretary, treasurer, manager, or similar executive officer of a business; a director of a corporation, nonprofit corporation, or mutual benefit enterprise; a member of a nonprofit corporation, cooperative, or member-managed limited liability company; and a partner of a partnership.

(24)(26) “Small cultivator” means a cultivator with a plant canopy or space for cultivating plants for breeding stock of not more than 1,000 square feet.

Sec. 6. 7 V.S.A. § 864 is added to read:

§ 864. ADVERTISING

(a) “Advertise” and “advertisement” have the same meaning as in section 861 of this title.

(b) A cannabis establishment advertisement shall not contain any statement or illustration that:

(1) is deceptive, false, or misleading;

(2) promotes overconsumption;

(3) represents that the use of cannabis has curative effects;

(4) offers a prize, award, or inducement for purchasing cannabis or a cannabis product, except that price discounts are allowed;

(5) offers free samples of cannabis or cannabis products;

(6) depicts a person under 21 years of age consuming cannabis or cannabis products; or

(7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

(c) Cannabis establishments shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

(d) All advertisements shall contain health warnings adopted by rule by the Board in consultation with the Department of Health.

(e) All advertisements shall be submitted to the Board on a form or in a format prescribed by the Board, prior to the dissemination of the advertisement. The Board may:

(1) require a specific disclosure be made in the advertisement in a clear and conspicuous manner if the Board determines that the advertisement would be false or misleading without such a disclosure; or

(2) require changes that are necessary to protect the public health, safety, and welfare or consistent with dispensing information for the product under review.

Sec. 7. 7 V.S.A. § 866(d) is added to read:

(d) In accordance with section 864 of this title, advertising by a cannabis establishment shall not depict a person under 21 years of age consuming cannabis or cannabis products or be designed to be or have the effect of being particularly appealing to persons under 21 years of age. Cannabis establishments shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

Sec. 8. 7 V.S.A. § 881 is amended to read:

§ 881. RULEMAKING; CANNABIS ESTABLISHMENTS

(a) The Board shall adopt rules to implement and administer this chapter in accordance with subdivisions (1)–(7) of this subsection.

(1) Rules concerning any cannabis establishment shall include:

* * *

(P) disclosure or eligibility requirements for a financier, its owners and principals, and its affiliates, which may include:

(i) requirements to disclose information to a licensed establishment, the Board, or the Department of Financial Regulation;

(ii) a minimum age requirement and a requirement to conduct a background check for natural persons;

(iii) requirements to ensure that a financier complies with applicable State and federal laws governing financial institutions, licensed lenders, and other financial service providers; and

(iv) any other requirements, conditions, or limitations on the type or amount of loans or capital investments made by a financier or its affiliates,

which the Board, in consultation with the Department of Financial Regulation, determines is necessary to protect the public health, safety, and general welfare; and

(Q) policies and procedures for conducting outreach and promoting participation in the regulated cannabis market by diverse groups of individuals, including those who have been disproportionately harmed by cannabis prohibition; and

(R) advertising and marketing.

* * *

Sec. 8a. DEPARTMENT OF HEALTH; REPORT

On or before March 1, 2022, the Department of Health shall report to the House and Senate Committees on Government Operations regarding its collaboration with the Cannabis Control Board developing health warnings as required by 7 V.S.A. chapters 33 (cannabis establishments) and 37 (medical cannabis dispensaries).

Sec. 9. 7 V.S.A. § 978 is added to read:

§ 978. ADVERTISING

(a) “Advertise” and “advertisement” have the same meaning as in section 861 of this title.

(b) A dispensary advertisement shall not contain any statement or illustration that:

(1) is deceptive, false, or misleading;

(2) promotes overconsumption;

(3) represents that the use of cannabis has curative effects;

(4) offers a prize, award, or inducement for purchasing cannabis or a cannabis product, except that price discounts are allowed;

(5) offers free samples of cannabis or cannabis products;

(6) depicts a person under 21 years of age consuming cannabis or cannabis products; or

(7) is designed to be or has the effect of being particularly appealing to persons under 21 years of age.

(c) Dispensaries shall not advertise their products via any medium unless the licensee can show that not more than 15 percent of the audience is reasonably expected to be under 21 years of age.

(d) All advertisements shall contain health warnings adopted by rule by the Board in consultation with the Department of Health.

(e) All advertisements shall be submitted to the Board on a form or in a format prescribed by the Board, prior to the dissemination of the advertisement. The Board may:

(1) require a specific disclosure be made in the advertisement in a clear and conspicuous manner if the Board determines that the advertisement would be false or misleading without such a disclosure; or

(2) require changes that are necessary to protect the public health, safety, and welfare or consistent with dispensing information for the product under review.

(f) The Board may charge and collect fees for review of advertisements.

* * * Cultivation * * *

Sec. 10. 2019 Acts and Resolves No. 164, Sec. 8 is amended to read:

Sec. 8. IMPLEMENTATION OF LICENSING CANNABIS
ESTABLISHMENTS

(a)(1) The cannabis plant, cannabis product, and useable cannabis possession limits for a registered dispensary set forth in 18 V.S.A. chapter 86 shall no longer apply on and after February 1, 2022. A dispensary shall be permitted to cultivate cannabis and manufacture cannabis products for the purpose of transferring or selling such products to an integrated licensee on or after April 1, 2022 and engaging in the activities permitted by 7 V.S.A. chapter 33.

(2) On or before April 1, 2022, the Board shall begin accepting applications for integrated licenses.

(3) On or before May 1, 2022, the Board shall begin issuing integrated licenses to qualified applicants. An integrated licensee may begin selling cannabis and cannabis products transferred or purchased from a dispensary immediately. Between August 1, 2022 and October 1, 2022, 25 percent of cannabis flower sold by an integrated licensee shall be obtained from a licensed small cultivator, if available.

(b)(1) On or before April 1, 2022, the Board shall begin accepting applications for small cultivator licenses and testing laboratories. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before May 1, 2022, the Board shall begin issuing small cultivator and testing laboratories licenses to qualified applicants. Upon

licensing, small cultivators shall be permitted to sell cannabis legally grown pursuant to the license to an integrated licensee and a dispensary licensed pursuant to 18 V.S.A. chapter 86 prior to other types of cannabis establishment licensees beginning operations.

(c)(1) On or before May 1, 2022, the Board shall begin accepting applications for all cultivator licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before June 1, 2022, the Board shall begin issuing all cultivator licenses to qualified applicants.

(d)(1) On or before July 1, 2022, the Board shall begin accepting applications for product manufacturer licenses and wholesaler licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before August 1, 2022, the Board shall begin issuing product manufacturer and wholesaler licenses to qualified applicants.

(e)(1) On or before September 1, 2022, the Board shall begin accepting applications for retailer licenses. The initial application period shall remain open for 30 days. The Board may reopen the application process for any period of time at its discretion.

(2) On or before October 1, 2022, the Board shall begin issuing retailer licenses to qualified applicants and sales of cannabis and cannabis products by licensed retailers to the public shall be allowed immediately.

* * * Social Equity * * *

Sec. 11. FEES; SOCIAL EQUITY

When reporting to the General Assembly regarding recommended fees for licensing cannabis establishments pursuant to Sec. 4a of this act, the Cannabis Control Board shall propose a plan for reducing or eliminating licensing fees for individuals from communities that historically have been disproportionately impacted by cannabis prohibition or individuals directly and personally impacted by cannabis prohibition.

Sec. 12. 7 V.S.A. chapter 39 is added to read:

CHAPTER 39. CANNABIS SOCIAL EQUITY PROGRAMS

§ 986. DEFINITIONS

As used in this chapter:

(1) “Agency” means the Agency of Commerce and Community Development.

(2) “Board” means the Cannabis Control Board.

§ 987. CANNABIS BUSINESS DEVELOPMENT FUND

(a) There is established the Cannabis Business Development Fund, which shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5.

(b) The Fund shall comprise:

(1) a one-time contribution of \$50,000.00 per integrated license to be made on or before October 15, 2022 ; and

(2) monies allocated to the fund by the General Assembly.

(c) The Fund shall be used for the following purposes:

(1) to provide low-interest rate loans and grants to social equity applicants to pay for ordinary and necessary expenses to start and operate a licensed cannabis establishment;

(2) to pay for outreach that may be provided or targeted to attract and support social equity applicants;

(3) to assist with job training and technical assistance for social equity applicants; and

(4) to pay for necessary costs incurred in administering the Fund.

(d) Amounts from loans that are repaid shall provide additional funding through the Fund.

§ 988. SOCIAL EQUITY LOANS AND GRANTS

The Agency of Commerce and Community Development shall establish a program using funds from the Cannabis Business Development Fund for the purpose of providing financial assistance, loans, grants, and outreach to social equity applicants. The Agency may procure by contract all or part of the necessary underwriting, execution, and administration services required for loans and grants to be made from the Cannabis Business Development Fund to eligible social equity applicants as allowed under this chapter. Should the Agency be unable to do so, the program shall not move forward until the General Assembly appropriates the operational resources necessary for the Agency to make loans and provide financial assistance to social equity applicants.

§ 989. REPORTING

The Cannabis Control Board, in consultation with the Advisory Committee, the Agency of Commerce and Community Development, and the Executive Director of Racial Equity, shall report to the General Assembly on or before January 15, 2023 and biennially thereafter regarding the implementation and application of this chapter, including data on the number of applicants, the number of recipients, the number and amounts of loans and grants, and the identification of continuing barriers to accessing the cannabis market for social equity applicants. This information shall be presented in a manner that can be quantified and tracked over time.

Sec. 13. SOCIAL EQUITY APPLICANTS; CRITERIA

The Cannabis Control Board, in consultation with the Advisory Committee, the Agency of Commerce and Community Development, and the Executive Director of Racial Equity, shall develop criteria for social equity applicants for the purpose of obtaining social equity loans and grants from the Cannabis Business Development Fund pursuant to 7 V.S.A. chapter 39. The Board shall provide the criteria to the General Assembly not later than October 15, 2021.

Sec. 14. TRANSFER AND APPROPRIATION

(a) In fiscal year 2022, \$500,000.00 is transferred from General Fund to the Cannabis Business Development Fund established pursuant to 7 V.S.A. § 987.

(b) In fiscal year 2022, \$500,000.00 is appropriated from the Cannabis Business Development Fund to the Agency of Commerce and Community Development to make loans and grants pursuant to 7 V.S.A. § 987.

* * * Medical Cannabis Program * * *

Sec. 15. IMPLEMENTATION OF MEDICAL CANNABIS REGISTRY

(a) On January 1, 2022, the following shall transfer from the Department of Public Safety to the Cannabis Control Board:

(1) the authority to administer the Medical Cannabis Registry and the regulation of cannabis dispensaries pursuant to 18 V.S.A. chapter 86;

(2) the cannabis registration fee fund established pursuant to 18 V.S.A. chapter 86; and

(3) the positions dedicated to administering 18 V.S.A. chapter 86.

(b) The Registry shall continue to be governed by 18 V.S.A. chapter 86 and the rules adopted pursuant to that chapter until 7 V.S.A. chapters 35 and 37 and the rules adopted by the Board pursuant to those chapters take effect on

March 1, 2022 as provided in 2019 Acts and Resolves No. 164.

Sec. 16. REPEAL

2019 Acts and Resolves No. 164, Secs. 10 (implementation of Medical Cannabis Registry) and 13 (implementation of medical cannabis dispensaries) are repealed.

Sec. 16a. MEDICAL CANNABIS OVERSIGHT ADVISORY PANEL

2019 Acts and Resolves No. 164 repeals the Cannabis for Symptom Relief Oversight Committee on March 1, 2022. The General Assembly recognizes the value of continuing to employ an advisory entity focused on medical cannabis and the patients and caregivers on Vermont's Medical Cannabis Registry. However, the General Assembly finds that the structure and mission of such an entity should be updated to reflect the changing approach to cannabis since the establishment of the current Oversight Committee in 2011. Therefore, in the 2022 legislative session, the General Assembly intends to establish the Medical Cannabis Oversight Advisory Panel and requests that the Cannabis Control Board submit its recommendations for the membership and duties of this panel to the General Assembly on or before November 1, 2021.

* * * Highway Safety * * *

Sec. 17. VERMONT CRIMINAL JUSTICE COUNCIL; ARIDE REPORT

On or before October 1, 2021, the Vermont Criminal Justice Council shall report to the House and Senate Committees on Appropriations and on Government Operations on the following:

(1) the funding for the requirement that on or before December 31, 2021 all law enforcement officers receive Advanced Roadside Impaired Driving Enforcement (ARIDE) training as required by 2019 Acts and Resolves No. 164, Sec. 20; and

(2) a recommendation as to which law enforcement officers, if any, should not be required to receive ARIDE training because those officers do not make roadside stops or those officers would not be proficient in the standardized field sobriety test that is a prerequisite of ARIDE training because of their law enforcement position or training.

* * * Substance Misuse Prevention Funding * * *

Sec. 18. 32 V.S.A. § 7909 is added to read:

§ 7909. SUBSTANCE MISUSE PREVENTION FUNDING

(a) Thirty percent of the revenues raised by the cannabis excise tax imposed by section 7902 of this title, not to exceed \$10,000,000.00 per fiscal

year, shall be used to fund substance misuse prevention programming.

(b) If any General Fund appropriations for substance misuse prevention programming remain unexpended at the end of a fiscal year, that balance shall be carried forward and shall only be used for the purpose of funding substance misuse prevention programming in the subsequent fiscal year.

(c) Any appropriation balance carried forward pursuant to subsection (b) of this section shall be in addition to revenues allocated for substance misuse prevention programming pursuant to subsection (a) of this section.

Sec. 19. REPEAL

2019 Acts and Resolves No. 164, Sec. 19 (substance misuse prevention funding) is repealed.

* * * Effective Dates * * *

Sec. 20. EFFECTIVE DATES

(a) Secs. 9 (advertising) and 18 (substance misuse prevention) shall take effect on March 1, 2022.

(b) The remaining sections shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; Joint Resolution Messaged

On motion of Senator Balint, the rules were suspended, and the following joint resolution was ordered messaged to the House forthwith:

J.R.H. 6.

Rules Suspended; Bills Delivered

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered delivered to the Governor forthwith:

S. 7, S. 25.

Recess

On motion of Senator Balint the Senate recessed until 4:00 P.M.

Called to Order

The Senate was called to order by the President.

Message from the House No. 80

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 24. Joint resolution relating to amending temporary Joint Rule 22A.

And has adopted the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

Message from the House No. 81

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 3. An act relating to competency to stand trial and insanity as a defense.

And has concurred therein.

And has severally concurred therein with a further proposal of amendment thereto, in the adoption of which the concurrence of the Senate is requested.

Rules Suspended; House Proposal of Amendment Concurred in With an Amendment

S. 97.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking all after the enacting clause and inserting in lieu thereof the following:

* * * Sunset Repeals and Extension * * *

Sec. 1. SUNSET REPEAL; COURT DIVERSION PROGRAM CHANGES

2017 Acts and Resolves No. 61, Sec. 7, as amended by 2020 Acts and Resolves No. 134, Sec. 1 (July 1, 2020 repeal of changes to the court diversion program), is repealed.

Sec. 2. SUNSET REPEAL; RACIAL DISPARITIES IN THE CRIMINAL AND JUVENILE JUSTICE SYSTEMS ADVISORY PANEL

2017 Acts and Resolves No. 54, Sec. 6a, as amended by 2020 Acts and Resolves No. 134, Sec. 2 (July 1, 2020 repeal of 3 V.S.A. § 168, Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel), is repealed.

Sec. 3. SUNSET REPEAL; SPOUSAL MAINTENANCE AND SUPPORT GUIDELINES

2017 Acts and Resolves No. 60, Sec. 3, as amended by 2018 Acts and Resolves No. 203, Sec. 1 (July 1, 2021 repeal of spousal maintenance and support guidelines), is repealed.

Sec. 4. 2017 Acts and Resolves No. 142, Sec. 5, is amended to read:

Sec. 5. REPEAL

13 V.S.A. §§ 5451 (creation of Vermont Sentencing Commission) and 5452 (creation of Vermont Sentencing Commission) shall be repealed on July 1, ~~2021~~ 2022.

* * * Repeals * * *

Sec. 5. 13 V.S.A. § 2579 is amended to read:

§ 2579. ~~CIVIL RECOVERY FOR RETAIL THEFT~~

~~(a) Any person over the age of 16 years or any emancipated minor who commits the offense of retail theft against a retail mercantile establishment in violation of section 2575 of this title shall be civilly liable to the retail mercantile establishment in an amount consisting of:~~

~~(1) damages equal to the retail price of the merchandise if the item is not returned in a merchantable condition; and~~

~~(2) a civil penalty of two times the retail price of the merchandise, to be not less than \$25.00 and not more than \$300.00.~~

~~(b) The fact that an action may be brought against an individual as provided in this section shall not limit the right of a retail mercantile establishment to demand, in writing, that a person who is liable for damages and penalties under this section remit the damages and penalties prior to the commencement of any legal action.~~

~~(c) If the person to whom a demand is made complies with the demand, that person shall incur no further civil liability for that specific act of retail theft.~~

~~(d) Any demand made under this section shall be accompanied by a copy of this law.~~

~~(e) A criminal prosecution under section 2575 of this title is not a prerequisite to the applicability of this section and such a criminal prosecution shall not bar an action under this section. An action under this section shall not bar a criminal prosecution under section 2575 of this title.~~

~~(f) The provisions of this section shall not be construed to prohibit or limit any other cause of action that a retail mercantile establishment may have against a person who unlawfully takes merchandise from a retail mercantile establishment, except as provided in subsection (c) of this section.~~

~~(g) Any testimony or statements by the defendant or any evidence derived from an attempt to reach a civil settlement or from a civil proceeding brought under this section shall be inadmissible in any other court proceeding relating to such retail theft.~~

~~(h) If a retail mercantile establishment files suit to recover damages and penalties pursuant to subsection (a) of this section and the mercantile establishment fails to appear at a hearing in such proceedings without excuse from the court, the court shall dismiss the suit with prejudice and award costs to the defendant.~~

~~(i) A person who knowingly uses the provisions of this section to demand or extract money from a person who is not legally obligated to pay a penalty shall be imprisoned not more than one year or fined not more than \$1,000.00, or both. [Repealed.]~~

Sec. 6. 20 V.S.A. § 187 is amended to read:

§ 187. SPECIAL EMERGENCY JUDGES

~~In the event that any district judge is unavailable to exercise the powers and discharge the duties of his or her office, the duties of the office shall be discharged and the powers exercised by one of three special emergency judges residing in the district served by such judge, and designated by him or her within 60 days after the approval of this chapter, and thereafter immediately after the date that he or she shall have been appointed and qualified as such. Such special emergency judges shall, in the order specified, exercise the powers and discharge the duties of such office in case of the unavailability of the regular judge or persons immediately preceding them in the designation. The designating authority shall, each year, review and shall revise, as necessary, designations made pursuant to this chapter to insure their current status. Forthwith after such designations are made and after a revision thereof copies shall be filed in the offices of the governor and the county clerk. Said emergency special judges shall discharge the duties and exercise the powers of~~

~~such office until such time as a vacancy which may exist shall be filled in accordance with the constitution and statutes or until the regular judge or one preceding the designee in the order of designation becomes available to exercise the powers and discharge the duties of his or her office. While exercising the powers and discharging the duties of the office of a district judge a special emergency judge shall receive the pro rata salary and perquisites thereof. [Repealed.]~~

* * * Probate Fees * * *

Sec. 7. 14 V.S.A. § 1492 is amended to read:

§ 1492. ACTION FOR DEATH FROM WRONGFUL ACT; PROCEDURE;
DAMAGES

(a) The action shall be brought in the name of the personal representative of the deceased person and commenced within two years from the discovery of the death of the person, but if the person against whom the action accrues is out of the State, the action may be commenced within two years after the person comes into the State. After the cause of action accrues and before the two years have run, if the person against whom it accrues is absent from and resides out of the State and has no known property within the State that can by common process of law be attached, the time of his or her absence shall not be taken as part of the time limited for the commencement of the action. If the death of the decedent occurred under circumstances such that probable cause is found to charge a person with homicide, the action shall be commenced within seven years after the discovery of the death of the decedent or not more than two years after the judgment in that criminal action has become final, whichever occurs later.

* * *

(f) The fee for the appointment of a personal representative to bring an action pursuant to subsection (a) of this section shall be the entry fee established by 32 V.S.A. § 1434(a)(1).

Sec. 8. 32 V.S.A. § 1434 is amended to read:

§ 1434. PROBATE CASES

(a) The following entry fees shall be paid to the Probate Division of the Superior Court for the benefit of the State, except for subdivisions (18) and (19) of this subsection, which shall be for the benefit of the county in which the fee was collected:

(1) Estates of \$10,000.00 or less \$50.00

* * *

(34) Registration of foreign guardianship order \$90.00

* * *

* * * Judicial Bureau; Agricultural Product Identification

Labels Misuse * * *

Sec. 9. 4 V.S.A. § 1102 is amended to read:

§ 1102. JUDICIAL BUREAU; JURISDICTION

(a) The Judicial Bureau is created within the Judicial Branch under the supervision of the Supreme Court.

(b) The Judicial Bureau shall have jurisdiction of the following matters:

* * *

(7) Violations of 16 V.S.A. chapter ~~4~~ 9, subchapter ~~9~~ 5, relating to hazing.

* * *

~~(19) Violations of 6 V.S.A. § 2965, relating to the misuse of identification labels for agricultural products produced in Vermont and meeting standards of quality established by the Secretary of Agriculture, Food and Markets. [Repealed.]~~

* * *

* * * Roadside Safety Technical Correction * * *

Sec. 10. 23 V.S.A. § 1203 is amended to read:

§ 1203. ADMINISTRATION OF TESTS; RETENTION OF TEST AND VIDEOTAPE

(a) A breath test shall be administered only by a person who has been certified by the Vermont Criminal Justice Council to operate the breath testing equipment being employed. In any proceeding under this subchapter, a person's testimony that he or she is certified to operate the breath testing equipment employed shall be prima facie evidence of that fact.

(b)(1) Only a physician, licensed nurse, medical technician, physician assistant, medical technologist, laboratory assistant, intermediate or advanced emergency medical technician, or paramedic acting at the request of a law enforcement officer may, at a medical facility, police or fire department, or other safe and clean location as determined by the individual withdrawing blood, withdraw blood for the purpose of determining the presence of alcohol or another drug. A Any withdrawal of blood shall not be taken at roadside, and a law enforcement officer, even if trained to withdraw blood, acting in that

official capacity may not withdraw blood for the purpose of determining the presence of alcohol or another drug. These limitations do not apply to the taking of a breath sample. A medical facility or business may not charge more than \$75.00 for services rendered when an individual is brought to a facility for the sole purpose of an evidentiary blood sample or when an emergency medical technician or paramedic draws an evidentiary blood sample.

(2) A saliva sample may be obtained by a person authorized by the Vermont Criminal Justice Council to collect a saliva sample for the purpose of evidentiary testing to determine the presence of a drug. Any saliva sample obtained pursuant to this section shall not be taken at roadside.

(c) ~~When a breath test that is intended to be introduced in evidence is taken with a crimper device or when~~ blood or saliva is withdrawn at an officer's request, a sufficient amount of ~~breath~~ saliva or blood, as the case may be, shall be taken to enable the person to have made an independent analysis of the sample and shall be held for at least 45 days from the date the sample was taken. At any time during that period, the person may direct that the sample be sent to an independent laboratory of the person's choosing for an independent analysis. The Department of Public Safety shall adopt rules providing for the security of the sample. At no time shall the defendant or any agent of the defendant have access to the sample. A preserved sample of breath shall not be required when an infrared breath-testing instrument is used. A person tested with an infrared breath-testing instrument shall have the option of having a second infrared test administered immediately after receiving the results of the first test.

(d) In the case of a breath, saliva, or blood test ~~administered using an infrared breath testing instrument~~, the test shall be analyzed in compliance with rules adopted by the Department of Public Safety. The analyses shall be retained by the State. A sample is adequate if the infrared breath testing instrument analyzes the sample and does not indicate the sample is deficient. ~~Analysis~~ An analysis of the person's ~~breath~~ saliva or blood that is available to that person for independent analysis shall be considered valid when performed according to methods approved by the Department of Public Safety. The analysis performed by the State shall be considered valid when performed according to a method or methods selected by the Department of Public Safety. The Department of Public Safety shall use rule making procedures to select its method or methods. Failure of a person to provide an adequate breath or saliva sample constitutes a refusal.

(e) [Repealed.]

(f) When a law enforcement officer has reason to believe that a person may be violating or has violated section 1201 of this title, the officer may request

the person to provide a sample of breath for a preliminary screening test using a device approved by the Commissioner of Public Safety for this purpose. The person shall not have the right to consult an attorney prior to submitting to this preliminary breath alcohol screening test. The results of this preliminary screening test may be used for the purpose of deciding whether an arrest should be made and whether to request an evidentiary test and shall not be used in any court proceeding except on those issues. Following the screening, test additional tests may be required of the operator pursuant to the provisions of section 1202 of this title.

* * *

(h) A Vermont law enforcement officer shall have a right to request a breath, saliva, or blood sample in an adjoining state or country under this section unless prohibited by the law of the other state or country. If the law in an adjoining state or country does not prohibit an officer acting under this section from taking a breath, saliva, or blood sample in its jurisdiction, evidence of such sample shall not be excluded in the courts of this State solely on the basis that the test was taken outside the State.

* * *

Sec. 11. REPEAL

2020 Acts and Resolves No. 164, Sec. 24 (administration of tests; 23 V.S.A. § 1203) is repealed.

Sec. 12. 2020 Acts and Resolves No. 164, Sec. 33(c) is amended to read:

(c) Secs. 10 (implementation of Medical Cannabis Registry), 13 (implementation of medical cannabis dispensaries), 18 (income tax deduction), 18c (legislative intent), 21 (definition of evidentiary test), 22 (operating vehicle under the influence of alcohol or other substance), 23 (consent to taking of tests to determine blood alcohol content or presence of other drug), 24 (~~administration of tests~~), and 25 (independent testing of evidentiary sample) shall take effect January 1, 2022.

* * * Juvenile Justice Stakeholders Working Group Recommendations * * *

Sec. 13. 4 V.S.A. § 33 is amended to read:

§ 33. JURISDICTION; FAMILY DIVISION

(a) Notwithstanding any other provision of law to the contrary, the Family Division shall have exclusive jurisdiction to hear and dispose of the following proceedings filed or pending on or after October 1, 1990:

* * *

(8) All juvenile proceedings filed pursuant to 33 V.S.A. chapters 51, 52, and 53, including proceedings involving “youthful offenders” pursuant to 33 V.S.A. § 5281 whether the matter originated in the Criminal or Family Division of the Superior Court, except for a proceeding charging the holder of a commercial driver’s license as defined in 23 V.S.A. § 4103 with an offense or violation listed in 23 V.S.A. § 4116 that would result in the license holder being disqualified from driving a commercial motor vehicle if convicted.

* * *

Sec. 14. 33 V.S.A. § 5103 is amended to read:

§ 5103. JURISDICTION

(a) The Family Division of the Superior Court shall have exclusive jurisdiction over all proceedings concerning a child who is or who is alleged to be a delinquent child or a child in need of care or supervision brought under the authority of the juvenile judicial proceedings chapters, except as otherwise provided in such chapters.

* * *

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child’s 18th birthday.

(2)(A) Jurisdiction over a child with a ~~pending~~ delinquency may be extended until six months beyond the child’s:

(i) 19th birthday if the child was 16 or 17 years of age when he or she committed the offense; or

(ii) 20th birthday if the child was 18 years of age when he or she committed the offense.

* * *

Sec. 15. 2020 Acts and Resolves No. 124, Sec. 3 is amended to read:

Sec. 3. 33 V.S.A. § 5103(c) is amended to read:

(c)(1) Except as otherwise provided by this title and by subdivision (2) of this subsection, jurisdiction over a child shall not be extended beyond the child’s 18th birthday.

(2)(A) Jurisdiction over a child with a ~~pending~~ delinquency may be extended until six months beyond the child’s:

(i) 19th birthday if the child was 16 or 17 years of age when he or she committed the offense; ~~or~~

(ii) 20th birthday if the child was 18 years of age when he or she committed the offense; or

(iii) 21st birthday if the child was 19 years of age when he or she committed the offense.

* * *

Sec. 16. 33 V.S.A. § 5204a is amended to read:

§ 5204a. JURISDICTION OVER ADULT DEFENDANT FOR CRIME
COMMITTED WHEN DEFENDANT WAS UNDER ~~18~~ 19
YEARS OF AGE.

(a) A proceeding may be commenced in the Family Division against a defendant who has attained 18 years of age if:

(1) the petition alleges that the defendant:

(A) before attaining ~~18~~ 19 years of age, violated a crime listed in subsection 5204(a) of this title;

(B) after attaining 14 years of age but before attaining ~~18~~ 19 years of age, committed an offense listed in 13 V.S.A. § 5301(7) but not listed in subsection 5204(a) of this title; or

(C) after attaining 17 years of age but before attaining ~~18~~ 19 years of age, committed any offense not listed in 13 V.S.A. § 5301(7) or subsection 5204(a) of this title, ~~as long as~~ provided the petition is filed prior to the defendant's 19th birthday;

(2) a juvenile petition was never filed based upon the alleged conduct; and

(3) the statute of limitations has not tolled on the crime that the defendant is alleged to have committed.

(b)(1) The Family Division shall, except as provided in subdivision (2) of this subsection, transfer a petition filed pursuant to subdivision (a)(1)(A) of this section to the Criminal Division if the Family Division finds that:

(A) there is probable cause to believe that while the defendant was less than ~~18~~ 19 years of age he or she committed an act listed in subsection 5204(a) of this title;

(B) there was good cause for not filing a delinquency petition in the Family Division when the defendant was less than ~~18~~ 19 years of age;

(C) there has not been an unreasonable delay in filing the petition; and

(D) transfer would be in the interest of justice and public safety.

(2)(A) If a petition has been filed pursuant to subdivision (a)(1)(A) of this section, the Family Division may order that the defendant be treated as a youthful offender consistent with the applicable provisions of chapter 52A of this title if the defendant is under ~~23~~ 22 years of age and the Family Division:

* * *

(3) The Family Division shall in all respects treat a petition filed pursuant to subdivision (a)(1)(B) of this section in the same manner as a petition filed pursuant to section 5201 of this title, except that the Family Division's jurisdiction shall end on or before the defendant's 22nd birthday, if the Family Division:

(A) finds that there is probable cause to believe that, after attaining 14 years of age but before attaining ~~18~~ 19 years of age, the defendant committed an offense listed in 13 V.S.A. § 5301(7) but not listed in subsection 5204(a) of this title; and

(B) makes the findings required by subdivisions (b)(1)(B) and (C) of this section.

* * *

* * * Eligibility to Receive Juvenile Proceedings Records * * *

Sec. 17. 33 V.S.A. § 5117 is amended to read:

§ 5117. RECORDS OF JUVENILE JUDICIAL PROCEEDINGS

(a) Except as otherwise provided, court and law enforcement reports and files concerning a person subject to the jurisdiction of the court shall be maintained separate from the records and files of other persons. Unless a charge of delinquency is transferred for criminal prosecution under chapter 52 of this title or the court otherwise orders in the interests of the child, such records and files shall not be open to public inspection nor their contents disclosed to the public by any person. However, upon a finding that a child is a delinquent child by reason of commission of a delinquent act ~~which~~ that would have been a felony if committed by an adult, the court, upon request of the victim, shall make the child's name available to the victim of the delinquent act. If the victim is incompetent or deceased, the child's name shall be released, upon request, to the victim's guardian or next of kin.

(b)(1) Notwithstanding the foregoing, inspection of such records and files by or dissemination of such records and files to the following is not prohibited:

(A) a court having the child before it in any juvenile judicial proceeding;

(B) the officers of public institutions or agencies to whom the child is committed as a delinquent child;

(C) a court in which a person is convicted of a criminal offense for the purpose of imposing sentence upon or supervising the person, or by officials of penal institutions and other penal facilities to which the person is committed, or by a parole board in considering the person's parole or discharge or in exercising supervision over the person;

(D) the parties to the proceeding, court personnel, the State's Attorney or other prosecutor authorized to prosecute criminal or juvenile cases under State law, the child's guardian ad litem, the attorneys for the parties, probation officers, and law enforcement officers who are actively participating in criminal or juvenile proceedings involving the child;

(E) the child who is the subject of the proceeding, the child's parents, guardian, and custodian may inspect such records and files upon approval of the Family Court judge;

(F) any other person who has a need to know may be designated by order of the Family Division of the Superior Court;

(G) the Commissioner of Corrections if the information would be helpful in preparing a presentence report, in determining placement, or in developing a treatment plan for a person convicted of a sex offense that requires registration pursuant to 13 V.S.A. chapter 167, subchapter 3;

(H) the Human Services Board and the Commissioner's Registry Review Unit in processes required under chapter 49 of this title; and

(I) the Department for Children and Families.

(2) Files inspected under this subsection shall be marked: UNLAWFUL DISSEMINATION OF THIS INFORMATION IS A CRIME PUNISHABLE BY A FINE UP TO \$2,000.00.

* * *

* * * Annual Report on Hate-Motivated Crimes * * *

Sec 18. 13 V.S.A. § 1455 is amended to read:

§ 1455. HATE-MOTIVATED CRIMES

* * *

(d)(1) On or before January 1, 2022 and annually thereafter, the Executive Director of the Department of State's Attorneys and Sheriffs, in consultation with the Office of the Attorney General, shall submit to the House and Senate Committees on Judiciary a report that details for the prior year:

(A) incidents reported to the National Incident-Based Reporting System, with details on both categories of bias motivation and types of offenses that were coded with an offender bias motivation;

(B) any convictions in the Criminal Division of the Superior Court for which the sentence was enhanced pursuant to this section; and

(C) any reported bias incidents that resulted in a final judgement in the Civil Division of the Superior Court.

(2) To the extent feasible, the report required by this subsection shall:

(A) include demographic information about the defendants; and

(B) protect victim confidentiality when statistical information may be identifying.

* * * Racial Disparities in Criminal and Juvenile Justice System Advisory Panel Membership and Report * * *

Sec. 19. 3 V.S.A. § 168 is amended to read:

§ 168. RACIAL DISPARITIES IN THE CRIMINAL AND JUVENILE JUSTICE SYSTEM ADVISORY PANEL

(a) The Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel is established. The Panel shall be organized and have the duties and responsibilities as provided in this section. The Panel shall be organized within the Office of the Attorney General and shall consult with the Vermont Human Rights Commission, the Vermont chapter of the ACLU, the Vermont Police Association, the Vermont Sheriffs' Association, the Vermont Association of Chiefs of Police, and others.

(b) The Panel shall comprise the following ~~13~~ 16 members:

(1) five members, drawn from diverse backgrounds to represent the interests of communities of color throughout the State, who have had experience working to implement racial justice reform, appointed by the Attorney General;

(2) the Executive Director of the Vermont Criminal Justice Council or designee;

(3) the Attorney General or designee;

(4) the Defender General or designee;

(5) the Executive Director of the State's Attorneys and Sheriffs or designee;

(6) the Chief Superior Judge or designee;

-
- (7) the Commissioner of Corrections or designee;
 - (8) the Commissioner of Public Safety or designee; and
 - (9) the Commissioner for Children and Families or designee;
 - (10) the Executive Director of Racial Equity or designee; and
 - (11) two members, drawn from diverse backgrounds to represent the interests of communities of color throughout the State, who have had experience working in information technology or data collection systems, appointed by the Executive Director of Racial Equity.

* * *

Sec. 20. RACIAL DISPARITIES IN CRIMINAL AND JUVENILE JUSTICE SYSTEM ADVISORY PANEL; REPORT ON BUREAU OF RACIAL JUSTICE STATISTICS

(a) On or before November 15, 2021, the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel shall report to the House and Senate Committees on Judiciary on the creation of the Bureau of Racial Justice Statistics to collect and analyze data related to systemic racial bias and disparities within the criminal and juvenile justice systems. The report shall address:

- (1) where the Bureau should be situated, taking into account the necessity for independence and the advantages and disadvantages of being a stand-alone body or being housed in State government;
- (2) how and to what extent the Bureau should be staffed;
- (3) what should be the scope of the Bureau's mission;
- (4) how the Bureau should conduct data collection and analysis; and
- (5) the best methods for the Bureau to enforce its data collection and analysis responsibilities.

(b) For purposes of developing the report required by subsection (a) of this section, the Panel shall create a subcommittee working group that shall:

- (1) consult with:
 - (A) the Vermont Crime Research Group;
 - (B) the National Center on Restorative Justice;
 - (C) the University of Vermont; and
 - (D) any other entity that would be of assistance to the Bureau; and
- (2) consult with and have the assistance of:

(A) the Vermont Chief Performance Officer; and

(B) the Vermont Chief Data Officer.

(c) The report required by subsection (a) of this section shall include proposed draft legislation.

(d) Members of the Panel who are neither State employees nor otherwise paid to participate in the working group in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

(e) In fiscal year 2022, \$50,000.00 is appropriated to the Office of the Attorney General from the General Fund to complete the work described in this section, portions of which may be used to establish performance-based contracts with:

(1) other entities and individuals to research and provide:

(A) other models of data collection entities and determine how they are typically organized, structured, and located;

(B) methodologies for how data can be gathered from disparate locations and organizations;

(C) best practices for collection and organization of data to permit ease of accessibility and development of policy recommendations;

(D) how to use the data to create a public-facing dashboard that is user-friendly and permits public transparency;

(E) technical assistance and customized consulting to support new data-sharing collaborations and partnerships on a range of topics, including:

(i) legal frameworks for data sharing;

(ii) data governance;

(iii) procedures for data access;

(iv) data management and analytics;

(v) staffing data infrastructure; and

(vi) community engagement and agenda setting; and

(2) the University of Vermont Legislative Internship Program for the purposes of providing support to the Panel for the report required by this section. Interns for the Panel shall be drawn from diverse backgrounds to represent the interests of communities of color throughout the State.

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 10 (23 V.S.A. § 1203) shall take effect on January 1, 2022.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment? Senator Sears moved that the Senate concur in the House proposal of amendment with an amendment, as follows;

By striking out Sec. 18, 13 V.S.A. § 1455, and its reader assistance in their entireties

And by renumbering the remaining sections to be numerically correct.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 313.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to miscellaneous amendments to alcoholic beverage laws.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with the following amendment thereto:

In Sec. 6, reports; sports betting study; impacts of sale of alcoholic beverages for off-premises consumption, in subsection (a), immediately following the words “to the House” by striking out the word “Committee” and inserting in lieu thereof the words “Committees on Ways and Means and” before the words “on General, Housing, and Military Affairs”

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative.

Rules Suspended; House Proposal of Amendment Concurred In**S. 62.**

Pending entry on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate bill entitled:

An act relating to creating incentives for new remote and relocating workers.

Was taken up for immediate consideration.

The House proposes to the Senate to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * New Relocating Employees * * *

Sec. 1. INTENT AND PURPOSE

It is the intent of the General Assembly and the purpose of Sec. 2 of this act to:

- (1) expand the Vermont workforce;
- (2) attract new residents to the State; and
- (3) provide support to employers who are unable to fill positions from among candidates who are already located in this State, whether due to very low unemployment rate or due to a disconnect between job requirements and candidate qualifications.

Sec. 2. 10 V.S.A. § 4 is added to read:

§ 4. NEW RELOCATING EMPLOYEE INCENTIVES

(a) The Agency of Commerce and Community Development shall design and implement a program to award incentive grants to relocating employees as provided in this section and subject to the policies and procedures the Agency adopts to implement the program.

(b) A relocating employee may be eligible for a grant under the program for qualifying expenses, subject to the following:

(1) A base grant shall not exceed \$5,000.00.

(2) The Agency may award an enhanced grant, which shall not exceed \$7,500.00, for a relocating employee who becomes a resident in a labor market area in this State in which:

(A) the average annual unemployment rate in the labor market area exceeds the average annual unemployment rate in the State; or

(B) the average annual wage in the State exceeds the annual average wage in the labor market area.

(c) The Agency shall:

(1) adopt procedures for implementing the program, which shall include a simple certification process to certify relocating employees and qualifying expenses;

(2) promote awareness of the program, including through coordination with relevant trade groups and by integration into the Agency's economic development marketing campaigns;

(3) award grants to relocating employees on a first-come, first-served basis beginning on July 1, 2021, subject to available funding; and

(4) adopt measurable goals, performance measures, and an audit strategy to assess the utilization and performance of the program.

(d) On or before January 15, 2022, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the policies and procedures adopted to implement the program;

(2) the promotion and marketing of the program; and

(3) an analysis of the utilization and performance of the program, including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.

(e) As used in this section:

(1) "Qualifying expenses" means the actual costs a relocating employee incurs for relocation expenses, which may include moving costs, closing costs for a primary residence, rental security deposit, one month's rent payment, and other relocation expenses established in Agency guidelines.

(2) "Relocating employee" means an individual who meets the following criteria.

(A)(i) On or after July 1, 2021:

(I) the individual becomes a full-time resident of this State;

(II) the individual becomes a full-time employee at a Vermont location of a for-profit or nonprofit business organization domiciled or authorized to do business in this State, or of a State, municipal, or other public sector employer;

(III) the individual becomes employed in one of the “Occupations with the Most Openings” identified by the Vermont Department of Labor in its “Short Term Employment Projections 2020-2022”; and

(IV) the employer attests to the Agency that, after reasonable time and effort, the employer was unable to fill the employee’s position from among Vermont applicants; or

(ii) on or after February 1, 2022:

(I) the individual becomes a full-time resident of this State; and

(II) the individual is a full-time employee of an out-of-state business and performs the majority of his or her employment duties remotely from a home office or a co-working space located in this State.

(B) The individual receives gross salary or wages that equal or exceed the Vermont livable wage rate calculated pursuant to 2 V.S.A. § 526.

(C) The individual is subject to Vermont income tax.

Sec. 2a. ALLOCATION OF APPROPRIATION

The Agency of Commerce shall allocate the amounts appropriated in Sec. G.300(a)(20) of H. 439 as follows:

(1) The Agency may use not more than \$480,000.00 to provide grants to new relocating employees who qualify under 10 V.S.A. § 4(e)(2)(A)(i).

(2) The Agency may use not more than \$130,000.00 to provide grants to new relocating employees who qualify under 10 V.S.A. § 4(e)(2)(A)(ii).

(3)(A) The Agency shall transfer not more than \$40,000.00 to the Department of Financial Regulation for the amount required to hire an independent consultant as required in Sec. 2b of this act.

(B) If any amounts from subdivision (3)(A) of this section remain unspent upon conclusion of the study, the Agency shall divide such amounts evenly for grants pursuant to subdivisions (1) and (2) of this section.

Sec. 2b. NEW RELOCATING WORKERS; STUDY

(a) The Department of Financial Regulation shall contract with an independent consultant to study and report on the effectiveness of incentive programs to attract new workers and new remote workers in meeting the demographic challenges and workforce shortages that exist in Vermont.

(b) The Agency of Commerce and Community Development shall make available to the consultant any data and information necessary to assess the administration and outcomes of the programs created in 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts and Resolves No. 80, Sec.

15 (New Remote Worker Grant Program); in 2019 Acts and Resolves No. 80, Sec. 12 (New Worker Relocation Incentive Program); and the new relocating employee program created by this act in 10 V.S.A. § 4.

(c) On or before December 15, 2021, the Department shall deliver a final report and any recommendations for legislative action to the House Committees on Commerce and Economic Development and on Appropriations and the Senate Committees on Economic Development, Housing and General Affairs and on Appropriations.

Sec. 3. REPEALS

The following are repealed:

(1) 2018 Acts and Resolves No. 197, Sec. 1, as amended by 2019 Acts and Resolves No. 80, Sec. 15 (New Remote Worker Grant Program); and

(2) 2019 Acts and Resolves No. 80, Sec. 12 (New Worker Relocation Incentive Program).

* * * Adult CTE Investments * * *

Sec. 4. CAREER AND TECHNICAL EDUCATION; ALLOCATIONS

The following recipients shall use the amounts appropriated in Sec. G.300(a)(21) of H. 439 for the purposes specified:

(1) Career and Technical Education Adult Training Scholarships.

(A) The Vermont Student Assistance Corporation (VSAC) shall use \$100,000.00 appropriated for CTE Adult Training Scholarships to provide not more than \$1,000.00 in tuition support to students enrolled in workforce development programs at Adult Career and Technical Education Centers.

(B) Funding may be used for standalone grants or for supplemental grants to the VSAC Advancement Grant.

(C) Eligible students may be nominated by a VSAC Outreach Counselor or a caseworker from the Vermont Department of Labor.

(2) Career and Technical Education equipment purchasing.

(A) The Vermont Agency of Education shall use \$150,000.00 appropriated to award grants of not more than \$20,000.00 to Adult Career and Technical Education Centers for the purchase of equipment needed to launch or sustain workforce development programs in high-growth, high-need sectors.

(B) The Agency of Education shall collaborate with the Vermont Adult Career and Technical Education Association and the Vermont Department of Labor to create a competitive grant program.

(3) CTE program development and instruction.

(A) The Agency of Education shall use \$150,000.00 to provide adult CTE coordinators with access to curriculum development experts to build local programs that are needed to address local or regional workforce development needs.

(B) The Agency shall collaborate with the Adult Career and Technical Education Association and the Vermont Department of Labor to make awards of not more than \$20,000.00.

* * * Unemployment Insurance; Intent * * *

Sec. 5. INTENT

It is the intent of the General Assembly to:

(1) ensure that COVID-19-related protections for unemployment insurance claimants and employers that were enacted as part of 2020 Acts and Resolves No. 91 remain in effect until after the state of emergency declared in relation to the COVID-19 pandemic has been lifted;

(2) ensure that the maximum amount of weekly unemployment insurance benefits that a claimant may receive does not decrease;

(3) provide claimants with enhanced unemployment insurance benefits;

(4) prevent unemployment insurance tax rates from increasing by an amount that is greater than necessary to replenish the Unemployment Insurance Trust Fund;

(5) ensure that the Unemployment Insurance Trust Fund is restored to a healthy balance;

(6) determine whether the State should increase the amount of unemployment insurance benefits that a claimant may be eligible to receive in the future;

(7) develop improved strategies to prevent the Trust Fund from being harmed by unemployment insurance fraud and employee misclassification; and

(8) avoid placing additional demands on the Department of Labor's limited staff and information technology resources, which are already experiencing significant strain from the unprecedented demands placed on the unemployment insurance system by the COVID-19 Pandemic.

* * * Experience Rating Relief for Calendar Year 2020 * * *

Sec. 6. 21 V.S.A. § 1325 is amended to read:

§ 1325. EMPLOYERS' EXPERIENCE-RATING RECORDS;
DISCLOSURE TO SUCCESSOR ENTITY

(a)(1) The Commissioner shall maintain an experience-rating record for each employer. Benefits paid shall be charged against the experience-rating record of each subject employer who provided base-period wages to the eligible individual. Each subject employer's experience-rating charge shall bear the same ratio to total benefits paid as the total base-period wages paid by that employer bear to the total base-period wages paid to the individual by all base-period employers. The experience-rating record of an individual subject base-period employer shall not be charged for benefits paid to an individual under any of the following conditions:

* * *

(G) ~~The~~ During calendar year 2020, the individual voluntarily separated from that employer as provided by subdivision 1344(a)(2)(A) of this chapter for one of the following reasons:

* * *

~~(3)(A) Subject to the provisions of~~ Except as otherwise provided pursuant to subdivision (B) of this subdivision (a)(3), an employer shall be relieved of charges for benefits paid to an individual ~~for a period of up to eight weeks with respect to benefits paid because:~~

~~(i) the employer temporarily ceased operation, either partially or completely, at the individual's place of employment in response to a request from a public health authority with jurisdiction that the employer cease operations because of COVID-19, in response to an emergency order or directive issued by the Governor or the President related to COVID-19, or because the employer voluntarily ceased operations due to the actual exposure of workers at that place of employment to COVID-19;~~

~~(ii) the individual becomes unemployed as a direct result of a state of emergency declared by the Governor or the President in relation to COVID-19 or an order or directive issued by the Governor or President in relation to COVID-19; or~~

~~(iii) the individual has been recommended or requested by a medical professional or a public health authority with jurisdiction to be isolated or quarantined as a result of COVID-19, regardless of whether the individual has been diagnosed with COVID-19~~ during calendar year 2020.

(B)(i) An employer shall only be eligible for relief be relieved of charges for benefits paid during calendar year 2020 in relation to a COVID-19-related separation from employment under the provisions of this subdivision (a)(3) if the employer rehires or offers to rehire the individual within a reasonable period of time after the employer resumes operations at the individual's place of employment, as determined by the Commissioner, or upon the completion of the individual's period of isolation or quarantine unless the Commissioner determines that the COVID-19-related reason for the individual's separation from employment no longer exists and the employer has failed to rehire or offer to rehire the individual without good cause.

(ii) If the Commissioner has cause to believe or receives an allegation or other information indicating that an employer may not be entitled to relief from charges pursuant to this subdivision (a)(3), the Commissioner shall examine the employer's records and any other documents and information necessary to determine if the employer is entitled to relief from charges pursuant to this subdivision (a)(3).

(C) The Commissioner may extend the period for which an employer shall be relieved of charges for benefits paid to employees pursuant to subdivision (A)(i) of this subdivision (a)(3) by an amount that the Commissioner determines to be appropriate in light of the terms of any applicable request from a local health official or the Commissioner of Health or any applicable emergency order or directive issued by the Governor or the President and any other relevant conditions or factors. As used in this subdivision (a)(3), "COVID-19-related separation from employment" shall mean a separation from employment for one of the following reasons:

(i) the employer temporarily ceased operation, either partially or completely, at the individual's place of employment in response to a request from a public health authority with jurisdiction that the employer cease operations because of COVID-19, in response to an emergency order or directive issued by the Governor or the President related to COVID-19, or because the employer voluntarily ceased operations due to the actual exposure of workers at that place of employment to COVID-19;

(ii) the individual became unemployed as a direct result of a state of emergency declared by the Governor or the President in relation to COVID-19 or an order or directive issued by the Governor or President in relation to COVID-19, including through a change or reduction in the employer's operation at the individual's place of employment that directly resulted from such a state of emergency, order, or directive; or

(iii) the employer temporarily laid off the individual based on a recommendation or request by a medical professional or a public health

authority with jurisdiction that the individual be isolated or quarantined as a result of COVID-19, regardless of whether the individual has been diagnosed with COVID-19.

* * *

* * * Experience Rating Relief for Calendar Year 2021 * * *

Sec. 7. RELIEF FROM COVID-19-RELATED UNEMPLOYMENT
BENEFIT CHARGES FOR CALENDAR YEAR 2021

(a) For calendar year 2021, an employer shall be relieved from charges against its unemployment insurance experience rating under 21 V.S.A. § 1325 for benefits paid to an individual because:

(1)(A) the individual voluntarily separated from employment with the employer for one of the reasons set forth in 21 V.S.A. § 1344(a)(2)(A)(ii)–(vi);

(B) the employer temporarily ceased operation, either partially or completely, at the individual’s place of employment in response to a request from a public health authority with jurisdiction that the employer cease operations because of COVID-19, in response to an emergency order or directive issued by the Governor or the President related to COVID-19, or because the employer voluntarily ceased operations due to the actual exposure of workers at that place of employment to COVID-19;

(C) the individual became unemployed as a direct result of a state of emergency declared by the Governor or the President in relation to COVID-19 or an order or directive issued by the Governor or President in relation to COVID-19, including through a change or reduction in the employer’s operation at the individual’s place of employment that was a direct result of such a state of emergency, order, or directive; or

(D) the employer temporarily laid off the individual based on a recommendation or request by a medical professional or a public health authority with jurisdiction that the individual be isolated or quarantined as a result of COVID-19, regardless of whether the individual was diagnosed with COVID-19; and

(2)(A) the employer rehired or offered to rehire the employee within a reasonable time, not to exceed 30 days after the reason for the individual’s separation from employment set forth in subdivision (1) of this subsection (a) no longer exists; or

(B) the employer demonstrates to the satisfaction of the Commissioner that it had good cause for failing to rehire or offer to rehire the employee within the time period set forth in subdivision (A) of this subdivision (a)(2).

(b) On or before July 1, 2021, the Commissioner of Labor shall adopt procedures and an application form for employers to apply for relief from charges pursuant to subsection (a) of this section.

(c) The Commissioner shall not be required to initiate rulemaking pursuant to 3 V.S.A. § 831(c) in relation to any procedures adopted under subsection (b) of this section.

(d) On or before June 15, 2021, the Commissioner shall:

(1) submit to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs a report summarizing the procedures and application form to be adopted pursuant to subsection (b) of this section; and

(2) commence a public outreach campaign to notify employers, employees, and claimants of the requirements and procedures to obtain relief from charges under this section.

* * * Extension of Unemployment Insurance-Related Sunset
from 2020 Acts and Resolves No. 91 * * *

Sec. 8. 2020 Acts and Resolves No. 91, Sec. 38(3) is amended to read:

(3) Secs. 32 and 33 shall take effect on ~~March 31, 2021~~ the first day of the calendar quarter following the calendar quarter in which the state of emergency declared in response to COVID-19 pursuant to Executive Order 01-20 is terminated, provided that if the state of emergency is terminated within the final 30 days of a calendar quarter, Secs. 32 and 33 shall take effect on the first day of the second calendar quarter following the calendar quarter in which the state of emergency is terminated.

* * * Implementation of Continued Assistance Act Provisions * * *

Sec. 9. TEMPORARY SUSPENSION OF CERTAIN REQUIREMENTS
FOR TRIGGERING AN EXTENDED BENEFIT PERIOD

For purposes of determining whether the State is in an extended benefit period during the period from November 1, 2020 through December 31, 2021, the Commissioner shall disregard the requirement in 21 V.S.A. § 1421 that no extended benefit period may begin before the 14th week following the end of a prior extended benefit period.

* * * Unemployment Insurance Contribution Relief * * *

Sec. 9a. 21 V.S.A. § 1326 is amended to read:

§ 1326. RATE BASED ON BENEFIT EXPERIENCE

* * *

(d) The Commissioner shall compute a current fund ratio, and a highest benefit cost rate, as follows:

(1) ~~the~~ The current fund ratio shall be determined by dividing the available balance of the Unemployment Compensation Fund on December 31 of the preceding calendar year by the total wages paid for employment during ~~the said~~ that calendar year as reported by employers by the following March 31st.

(2)(A) ~~the~~ The highest benefit cost rate shall be determined by dividing the highest amount of benefit payments made during a consecutive ~~12-month~~ 12-month period ~~which that~~ ended within the ~~10-year~~ 10-year period ~~ended with ending on~~ the preceding December 31, by the total wages paid during the four calendar quarter periods ~~which that~~ ended within such ~~12-month~~ that 12-month period.

(B) Notwithstanding any provision of subdivision (A) of this subdivision (d)(2) to the contrary, when computing the tax rate schedule to become effective on July 1, 2021 and on each subsequent July 1, the Commissioner shall calculate the highest benefit cost rate without consideration of benefit payments made in calendar year 2020.

* * *

* * * Unemployment Insurance Benefits * * *

Sec. 10. 21 V.S.A. § 1338(f) is amended to read:

~~(f)(1) The maximum weekly benefit amount shall be \$425.00. When the State Unemployment Compensation Fund has a positive balance and all advances made to the State Unemployment Compensation Fund pursuant to Title XII of the Social Security Act have been repaid as of December 31 of the last completed calendar year, on the first day of the first calendar week of July, the maximum weekly benefit amount shall be adjusted by a percentage equal to the percentage change during the preceding calendar year in the State average weekly wage as determined by subsection (g) of this section. When the unemployment contribution rate schedule established by subsection 1326(e) of this title is at schedule III, the maximum weekly benefit amount shall be annually adjusted on the first day of the first calendar week in July to an amount equal to 57 percent of the State annual average weekly wage as determined by subsection (g) of this section.~~

(2) Notwithstanding any provision of subdivision (1) of this subsection to the contrary:

(A) The maximum weekly benefit amount shall not increase in any year that advances made to the State Unemployment Compensation Fund

pursuant to Title XII of the Social Security Act, as amended, remain unpaid.

(B) The maximum weekly benefit amount shall not decrease.

Sec. 11. 21 V.S.A. § 1338 is amended to read:

§ 1338. WEEKLY BENEFITS

* * *

~~(b) For benefit years beginning prior to January 3, 1988 to qualify for benefits an individual must have had at least 20 weeks of work at wages of at least \$35.00 per week in employment with an employer subject to this chapter in the individual's base period. [Repealed.]~~

~~(c) For benefit years beginning prior to January 3, 1988, an individual's weekly benefit amount shall be one-half of the average weekly wage earned by such individual in employment with an employer subject to this chapter for 20 of the weeks in the individual's base period, whether or not consecutive, in which the wages earned by him or her in that employment were highest. Such weekly benefit amount shall be computed as a multiple of \$1.00; provided, that the weekly benefit amount so determined:~~

~~(1) shall not exceed 1/40th of the total wages actually used in the calculation of the average weekly wage for the highest 20 weeks as hereinbefore provided; and~~

~~(2) shall not exceed the maximum weekly benefit amount computed as provided in this section. [Repealed.]~~

~~(d)(1) For benefit years beginning on January 3, 1988 and subsequent thereto, to To qualify for benefits an individual must:~~

* * *

~~(e)(1) For benefit years beginning on January 3, 1988 and subsequent thereto, an An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45; provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed as provided in pursuant to subsection (f) of this section.~~

(2) Notwithstanding the maximum weekly benefit amount computed pursuant to subsection (f) of this section, an individual shall receive a supplemental benefit of \$25.00 per week in addition to the amount determined pursuant to subdivision (1) of this subsection.

* * *

Sec. 12. 21 V.S.A. § 1338(e) is amended to read:

(e)(1) An individual's weekly benefit amount shall be determined by dividing the individual's two high quarter total subject wages required under subdivision (d)(1) of this section by 45; provided that the weekly benefit amount so determined shall not exceed the maximum weekly benefit amount computed pursuant to subsection (f) of this section.

~~(2) Notwithstanding the maximum weekly benefit amount computed pursuant to subsection (f) of this section, an individual shall receive a supplemental benefit of \$25.00 per week in addition to the amount determined pursuant to subdivision (1) of this subsection.~~

* * * Reports * * *

Sec. 13. 21 V.S.A. § 1309 is amended to read:

§ 1309. REPORTS; SOLVENCY OF TRUST FUND

(a)(1) On or before January 31 of each year, the Commissioner shall submit to the Governor and the Chairs of the Senate ~~Committee~~ Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means a report covering the administration and operation of this chapter during the preceding calendar year.

(2) The report shall include:

(A) a balance sheet of the monies in the Fund and data as to probable reserve requirements based upon accepted actuarial principles, with respect to business activity, and other relevant factors for the longest available period. ~~The report shall also include;~~

(B) recommendations for amendments of this chapter as the Board considers proper; and

(C) an accounting of the amount of supplemental benefits paid to claimants pursuant to subdivision 1338(e)(2) of this chapter.

(b) Whenever the Commissioner believes that the solvency of the Fund is in danger or the balance of the Fund drops below \$180,000,000.00, the Commissioner shall promptly inform the Governor and the Chairs of the Senate Committees on Economic Development, Housing and General Affairs and on Finance, and the House Committees on Commerce and Economic Development and on Ways and Means, and make recommendations for preserving an adequate level in the Trust Fund. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this section.

Sec. 14. UNEMPLOYMENT INSURANCE; DETECTION AND PREVENTION OF FRAUD AND OVERPAYMENTS; CLAIM PROCESSING; CONSULTANT; REPORT

(a) On or before July 15, 2021, the State Auditor, in consultation with the Joint Fiscal Office, shall contract with an independent consulting entity with expertise in the field of unemployment insurance to evaluate certain aspects of Vermont's unemployment insurance system in comparison with the unemployment insurance systems of other states and in consideration of the needs of Vermont claimants, employees, and employers, as well as the preparation for the modernization of the Department's unemployment insurance information technology systems during the next several years. The independent consulting entity shall specifically examine:

(1) the Department of Labor's existing practices and procedures for detecting and preventing unemployment insurance fraud;

(2) instances in which it may be appropriate to refer unemployment insurance fraud for criminal prosecution, including a reasonable minimum threshold for such a referral;

(3) potential measures to eliminate or minimize claim processing delays that result from fraud prevention measures; and

(4) the Department of Labor's existing practices and procedures for preventing, reducing, and collecting overpayments of unemployment insurance benefits.

(b) In performing the evaluation required pursuant to subsection (a) of this section, the independent consulting entity shall do the following:

(1) specifically identify:

(A) best practices and high performing aspects of other states' unemployment insurance systems;

(B) shortcomings, challenges, and opportunities for improvement in Vermont's unemployment insurance system;

(C) potential changes and improvements to the Vermont Department of Labor's staffing, resources, information technology, training, funding, communications, practices, and procedures that are necessary to address the shortcomings, challenges, and opportunities for improvement identified pursuant to subdivision (B) of this subdivision (b)(1);

(D) potential statutory changes necessary to address the shortcomings, challenges, and opportunities for improvement identified pursuant to subdivision (B) of this subdivision (b)(1); and

(E) the anticipated cost of implementing the changes and improvements identified pursuant to subdivisions (C) and (D) of this subdivision (b)(1) and any ongoing costs associated with such changes and improvements; and

(2) consult with informed parties and relevant entities, including the Department of Labor, the Attorney General, the Agency of Digital Services, the Department of Human Resources, the Department of State's Attorneys and Sheriffs, representatives of employers, representatives of employees, and representatives of claimants.

(c) The Department of Labor shall cooperate with the independent consulting entity and shall, to the maximum extent permitted by law, provide the independent consulting entity with prompt access to all information requested.

(d)(1) On or before December 15, 2021, the independent consulting entity shall submit a written report detailing the findings and recommendations to the State Auditor, the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance, and the House Committees on Appropriations, on Commerce and Economic Development, and on Ways and Means.

(2) The independent consulting entity shall omit from the report information regarding techniques, procedures, and guidelines for unemployment insurance fraud investigations or prosecution if the disclosure of that information could reasonably be expected to risk circumvention of the law.

(e) As used in this section:

(1) "Overpayment of unemployment insurance benefits" includes overpayments due to a mistake on the part of a claimant or the Department, a claimant's unintentional misrepresentation or nondisclosure of a material fact, or a claimant's intentional misrepresentation or nondisclosure of a material fact.

(2) "Unemployment insurance fraud" means the intentional misrepresentation or knowing nondisclosure of a material fact by a claimant or any other entity for purposes of obtaining unemployment insurance benefits.

Sec. 14a. UNEMPLOYMENT INSURANCE; TRUST FUND; BENEFITS; PENALTIES; REIMBURSABLE EMPLOYERS; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Unemployment Insurance Study Committee to examine the solvency of Vermont's Unemployment Insurance

Trust Fund, its benefit structure, potential grants of authority for the Commissioner of Labor to reduce or waive certain penalties, and potential measures to mitigate the liability of reimbursable employers for some benefit charges.

(b) Membership. The Committee shall be composed of the following four members:

(1) one current member of the House Committee on Commerce and Economic Development, who shall be appointed by the Speaker of the House;

(2) one current member of the House Committee on Ways and Means, who shall be appointed by the Speaker of the House;

(3) one current member of the Senate Committee on Economic Development, Housing and General Affairs, who shall be appointed by the Committee on Committees; and

(4) one current member of the Senate Committee on Finance, who shall be appointed by the Committee on Committees.

(c) Powers and duties.

(1) The Committee shall study the following issues:

(A) the solvency of Vermont's Unemployment Insurance Trust Fund and the amount necessary to ensure that the Trust Fund remains solvent and able to continue meeting the needs of claimants during a future economic recession and subsequent recovery;

(B) the adequacy and appropriateness of Vermont's unemployment insurance benefits, whether Vermont's benefits should be increased, and whether the Vermont statutes related to benefits should be modified in any manner;

(C) instances for which it may be appropriate to provide the Commissioner of Labor with authority to reduce or waive a period of disqualification imposed in relation to a determination of unemployment insurance fraud;

(D) instances for which it may be appropriate to provide the Commissioner of Labor with authority to reduce or waive an individual's liability to repay overpaid unemployment insurance benefits; and

(E) potential statutory changes to mitigate the impact of benefit charges attributed to reimbursable employers who paid wages to a claimant during the claimant's base period but did not cause the claimant to become unemployed.

(2) In studying the issues set forth in subdivision (1) of this subsection, the Committee shall compare Vermont's unemployment insurance system with the unemployment insurance systems of other states and specifically identify:

(A) best practices and high performing aspects of other states' unemployment insurance systems;

(B) shortcomings, challenges, and opportunities for improvement in Vermont's unemployment insurance system;

(C) potential changes and improvements to the Vermont Department of Labor's staffing, resources, information technology, training, funding, communications, practices, and procedures that are necessary to address the shortcomings, challenges, and opportunities for improvement identified pursuant to subdivision (B) of this subdivision (c)(2);

(D) potential statutory changes necessary to address the shortcomings, challenges, and opportunities for improvement identified pursuant to subdivision (B) of this subdivision (c)(2); and

(E) to the extent possible, the anticipated cost of implementing the changes and improvements identified pursuant to subdivisions (C) and (D) of this subdivision (c)(2) and any ongoing costs associated with such changes and improvements.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Office of Legislative Counsel, the Office of Legislative Operations, and the Joint Fiscal Office.

(e) Report. On or before December 15, 2021, the Committee shall submit a written report to the House Committees on Appropriations, on Commerce and Economic Development, and on Ways and Means and the Senate Committees on Appropriations, on Economic Development, Housing and General Affairs, and on Finance with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Speaker of the House shall call the first meeting of the Committee to occur on or before September 15, 2021.

(2) The Committee shall select a chair from among its members at the first meeting.

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

(4) The Committee shall cease to exist on December 31, 2021.

(g) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than 3 meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. 15. 2020 Acts and Resolves No. 85, Sec. 9(a)(1) is amended to read:

(a)(1) On or before ~~January 15, 2022~~ December 15, 2021, the Attorney General and the Commissioner of Labor shall submit a written report to the House Committees on Commerce and Economic Development and on General, Housing, and Military Affairs and the Senate Committees on Economic Development, Housing and General Affairs and on Finance regarding the enforcement of employment laws related to employee misclassification pursuant to 21 V.S.A. §§ 346, 387, 712, and 1379 and by the Commissioner of Labor pursuant to 21 V.S.A. chapter 5, subchapters 2 and 3, and 21 V.S.A. chapters 9 and 17.

Sec. 16. 3 V.S.A. § 2222d is amended to read:

§ 2222d. EMPLOYEE MISCLASSIFICATION TASK FORCE

* * *

(f) On or before ~~January 15, 2022~~ December 15, 2021, the Task Force shall submit a written report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding ways to improve the effectiveness and efficiency of the system of joint enforcement by the Commissioner of Labor and the Attorney General of the laws related to employee misclassification that is established pursuant to 21 V.S.A. §§ 3, 346, 387, 712, and 1379. In particular, the Report shall examine:

* * *

* * * Effective Dates * * *

Sec. 17. EFFECTIVE DATES

(a)(1) This section and, except as provided in subdivisions (2)–(4) of this subsection, Secs. 5–16 shall take effect on passage.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 8 (extension of sunset) shall take effect retroactively on March 31, 2021.

(3) Sec. 11 (supplemental weekly benefit) shall take effect 30 days after the termination date for Federal Pandemic Unemployment Compensation set forth in 15 U.S.C. § 9023(e)(2), as amended.

(4) Sec. 12 (repeal of supplemental weekly benefit) shall take effect upon the payment of a cumulative total of \$100,000,000.00 in supplemental benefits pursuant to 21 V.S.A. § 1338(e)(2) and shall apply prospectively to all benefit payments in the next week and each subsequent week.

(b) Secs. 1–4 shall take effect on July 1, 2021.

And that after passage the title of the bill be amended to read:

An act relating to employee incentives, technical education, and unemployment insurance.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Rules Suspended; Bills Messaged

On motion of Senator Balint, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 97, H. 313.

Rules Suspended; Bill Delivered

On motion of Senator Balint, the rules were suspended, and the following bill was ordered delivered to the Governor forthwith:

S. 62.

Adjournment

On motion of Senator Balint, the Senate adjourned until nine o'clock and thirty minutes in the morning.

FRIDAY, MAY 21, 2021

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Message from the House No. 82

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered a bill originating in the Senate of the following title:

S. 101. An act relating to promoting housing choice and opportunity in smart growth areas.

And has passed the same in concurrence with proposal of amendment in the adoption of which the concurrence of the Senate is requested.

The House has considered the reports of the Committees of Conference upon the disagreeing votes of the two Houses on House bills of the following titles:

H. 360. An act relating to accelerated community broadband deployment.

H. 433. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

H. 449. An act relating to the membership and duties of the Vermont Pension Investment Commission and the creation of the Pension Benefits, Design, and Funding Task Force.

And has adopted the same on its part.

The House has considered Senate proposals of amendment to the following House bills:

H. 88. An act relating to certification of agricultural use for purposes of the use value appraisal program.

H. 122. An act relating to boards and commissions.

H. 135. An act relating to the State Ethics Commission.

H. 183. An act relating to sexual violence.

H. 337. An act relating to the printing and distribution of State publications.

H. 443. An act relating to approval of the merger of the Wilmington Water District with the Town of Wilmington.

And has severally concurred therein.

The House has considered Senate proposal of amendment to House proposal of amendment to Senate bill of the following title:

S. 97. An act relating to miscellaneous judiciary procedures.

And has concurred therein.

The House has considered Senate proposal of amendment to House bill:

H. 436. An act relating to miscellaneous changes to Vermont's tax laws.

And has severally concurred therein with further amendments in the passage of which the concurrence of the Senate is requested.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the twentieth day of May, 2021 he approved and signed bills originating in the Senate of the following titles:

S. 1. An act relating to extending the baseload renewable power portfolio requirement.

S. 66. An act relating to electric bicycles.

S. 102. An act relating to the regulation of agricultural inputs for farming.

S. 124. An act relating to miscellaneous utility subjects.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the twentieth day of May, 2021 he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 107. An act relating to confidential information concerning the initial arrest and charge of a juvenile.

Text of Communication from Governor

The text of the communication to the Senate from His Excellency, the Governor, whereby he vetoed and returned unsigned **Senate Bill No. 107** to the Senate is as follows:

“May 20, 2021

The Honorable John Bloomer, Jr.
Secretary of the Senate
115 State House
Montpelier, VT 05633-5401

Dear Mr. Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning S.107, *An act relating to confidential information concerning the initial arrest and charge of a juvenile*, without my signature, because of concerns with the policy to automatically raise the age of accountability for crimes, and afford young adults protections meant for juveniles, without adequate tools or systems in place.

Three years ago, I signed legislation intended to give young adults who had become involved in the criminal justice system certain protections meant for juveniles. At the time, I was assured that, prior to the automatic increases in age prescribed in the bill, plans would be in place to provide access to the rehabilitation, services, housing and other supports needed to both hold these young adults accountable and help them stay out of the criminal justice system in the future.

This has not yet been the case. In addition to ongoing housing challenges, programs designed and implemented for children under 18 are often not appropriate for those over 18. Disturbingly, there are also reports of some young adults being used – and actively recruited – by older criminals, like drug traffickers, to commit crimes because of reduced risk of incarceration, potentially putting the young people we are trying to protect deeper into the criminal culture and at greater risk.

I want to be clear: I'm not blaming the Legislature or the Judiciary for these gaps. All three branches of government need to bring more focus to this issue if we are going to provide the combination of accountability, tools and services needed to ensure justice and give young offenders a second chance.

For these reasons, I believe we need to take a step back and assess Vermont's "raise the age" policy, the gaps that exist in our systems and the unintended consequences of a piecemeal approach on the health and safety of our communities, victims and the offenders we are attempting to help. I see S.107 as deepening this piecemeal approach.

I also remain concerned with the lack of clarity in S.107 regarding the disparity in the public records law between the Department of Public Safety and the Department of Motor Vehicles.

Based on the objections outlined above, I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I believe this presents an opportunity to start a much-needed conversation about the status of our juvenile justice initiatives and make course corrections where necessary, in the interest of public safety and the young Vermonters we all agree need an opportunity to get back on the right path.

Sincerely,
/s/Philip B. Scott
Governor

PBS/kp”

Proposal of Amendment; Third Reading Ordered

H. 157.

Senator Clarkson, for the Committee on Economic Development, Housing and General Affairs, to which was referred House bill entitled:

An act relating to registration of construction contractors.

Reported recommending that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. FINDINGS

The General Assembly finds that:

(1) There is currently no master list of residential construction contractors operating in the State.

(2) There is no standard process for determining or adjudicating construction contract fraud complaints either on the part of contractors or consumers.

(3) Public authorities have no mechanism to contact all contractors when necessary to provide updates to public health requirements, safe working protocols, codes and standards, and available trainings and certifications.

(4) Wide dissemination of information on codes, standards, and trainings is vital to improving construction techniques throughout the State’s construction industry. Since building thermal conditioning represents over one-quarter of the State’s greenhouse gas emissions, improving energy performance is a key strategy for meeting the requirements of the Global Warming Solutions Act, 2020 Acts and Resolves No. 153.

(5) While registration is not licensure and confers no assurance of competence, consumers have no way of knowing whether a contractor is operating legally or has been subject to civil claims or disciplinary actions.

(6) A noncommercial, standardized public listing will provide contractors an opportunity to include in their record optional third-party, State-sanctioned certifications.

Sec. 2. 3 V.S.A. § 122 is amended to read:

§ 122. OFFICE OF PROFESSIONAL REGULATION

The Office of Professional Regulation is created within the Office of the Secretary of State. The Office of Professional Regulation shall have a director who shall be is an exempt employee appointed by the Secretary of State ~~and shall be an exempt employee~~. The following boards or professions are attached to the Office of Professional Regulation:

* * *

(50) Residential Contractors

Sec. 3. 26 V.S.A. chapter 107 is added to read:

CHAPTER 107. RESIDENTIAL CONTRACTORS

Subchapter 1. General Provisions

§ 5501. REGISTRATION REQUIRED

(a) A person shall register with the Office of Professional Regulation prior to contracting with a homeowner to perform residential construction in exchange for consideration of more than \$2,500.00, including labor and materials.

(b) Unless otherwise exempt under section 5502 of this title, as used in this chapter, "residential construction" means to build, demolish, or alter a residential dwelling unit, or a building or premises with four or fewer residential dwelling units, in this State, and includes interior and exterior construction, renovation, and repair; painting; paving; roofing; weatherization; installation or repair of heating, plumbing, solar, electrical, water, or wastewater systems; and other activities the Office specifies by rule consistent with this chapter.

§ 5502. EXEMPTIONS

This chapter does not apply to:

(1) an employee acting within the scope of his or her employment for a business organization registered under this chapter;

(2)(A) a professional engineer, licensed architect, or tradesperson licensed, registered, or certified by the Department of Public Safety acting within the scope of his or her license, registration, or certification; or

(B) a business that performs residential construction exclusively through employees who are individually exempt from registration under subdivision (2)(A) of this section;

(3) delivery or installation of consumer appliances, audio-visual equipment, telephone equipment, or computer network equipment;

(4) landscaping;

(5) work on a structure that is not attached to a residential building; or

(6) work that would otherwise require registration that a person performs in response to an emergency, provided the person applies for registration within a reasonable time after performing the work, as specified by rule.

§ 5503. MANDATORY REGISTRATION AND VOLUNTARY CERTIFICATION DISTINGUISHED

(a)(1) The system of mandatory registration established by this chapter is intended to protect against fraud, deception, breach of contract, and violations of law, but is not intended to establish standards for professional qualifications or workmanship that is otherwise lawful.

(2) The provisions of 3 V.S.A. § 129a, with respect to a registration, shall be construed in a manner consistent with the limitations of this subsection.

(b) The system of voluntary certification established in this chapter is intended to provide consumers and contractors with a publicly available, noncommercial venue for contractors to list optional approved certifications. The Director of Professional Regulation, in consultation with public safety officials and recognized associations or boards of builders, remodelers, architects, and engineers, may:

(1) adopt rules providing for the issuance of voluntary certifications, as defined in subdivision 3101a(1) of this title, that signify demonstrated competence in particular subfields and specialties related to residential construction;

(2) establish minimum qualifications, and standards for performance and conduct, necessary for certification; and

(3) discipline a certificant for violating adopted standards or other law, with or without affecting the underlying registration.

Subchapter 2. Administration

§ 5505. DUTIES OF THE DIRECTOR

(a) The Director of Professional Regulation shall:

(1) provide information to the public concerning registration, certification, appeal procedures, and complaint procedures;

(2) administer fees established under this chapter;

(3) receive applications for registration or certification, issue registrations and certifications to applicants qualified under this chapter, deny or renew registrations or certifications, and issue, revoke, suspend, condition, and reinstate registrations and certifications as ordered by an administrative law officer; and

(4) prepare and maintain a registry of registrants and certificants.

(b) The Director, after consultation with the advisors appointed pursuant to section 5506 of this title, shall adopt rules to implement this chapter.

§ 5506. ADVISORS

(a) The Secretary of State shall appoint two persons pursuant to 3 V.S.A. § 129b to serve as advisors in matters relating to residential contractors and construction.

(b) To be eligible to serve, an advisor shall:

(1) register under this chapter;

(2) have at least three years' experience in residential construction immediately preceding appointment; and

(3) remain active in the profession during his or her service.

(c) The Director of Professional Regulation shall seek the advice of the advisors in implementing this chapter.

§ 5507. FEES

A person regulated under this chapter shall pay the following fees at initial application and biennial renewal:

(1) Registration, individual: \$75.00.

(2) Registration, business organization: \$250.00.

(3) State certifications: \$75.00 for a first certification and \$25.00 for each additional certification.

Subchapter 3. Registrations

§ 5508. ELIGIBILITY

To be eligible for registration, the Director of Professional Regulation shall find that the applicant is in compliance with the provisions of this chapter and applicable State law and has satisfied any judgment order related to the provision of professional services to a homeowner.

§ 5509. REQUIREMENTS OF REGISTRANTS

(a) Insurance. A person registered under this chapter shall maintain minimum liability insurance coverage in the amount of \$300,000.00 per claim and \$1,000,000.00 aggregate, evidence of which may be required as a precondition to issuance or renewal of a registration.

(b) Writing.

(1) A person registered under this chapter shall execute a written contract prior to receiving a deposit or commencing residential construction work if the estimated value of the labor and materials exceeds \$2,500.00.

(2) A contract shall specify:

(A) Price. One of the following provisions for the price of the contract:

(i) a maximum price for all work and materials;

(ii) a statement that billing and payment will be made on a time and materials basis, not to exceed a maximum price; or

(iii) a statement that billing and payment will be made on a time and materials basis and that there is no maximum price.

(B) Work dates. Estimated start and completion dates.

(C) Scope of work. A description of the services to be performed and a description of the materials to be used.

(D) Change order provision. A description of how and when amendments to the contract may be approved and documented, as agreed by the parties.

(3) The parties shall document an amendment to the contract in a signed writing.

(c) Down payment.

(1) If a contract specifies a maximum price for all work and materials or a statement that billing and payment will be made on a time and materials basis, not to exceed a maximum price, the contract may require a down payment of up to one-half of the cost of labor to the consumer, or one-half of the price of materials, whichever is greater.

(2) If a contract specifies that billing and payment will be made on a time and materials basis and that there is no maximum price, the contract may require a down payment as negotiated by the parties.

§ 5510. PROHIBITIONS AND REMEDIES

(a) A person who does not register as required pursuant to this chapter may be subject to an injunction or a civil penalty, or both, for unauthorized practice as provided in 3 V.S.A. § 127(b).

(b) The Office of Professional Regulation may discipline a registrant or certificant for unprofessional conduct as provided in 3 V.S.A. § 129a, except that 3 V.S.A. § 129a(b) does not apply to a registrant.

(c) The following conduct by a registrant, certificant, applicant, or person who later becomes an applicant constitutes unprofessional conduct:

(1) failure to enter into a written contract when required by this chapter;

(2) failure to maintain liability or workers' compensation insurance as required by law;

(3) committing a deceptive act in commerce in violation of 9 V.S.A. § 2453;

(4) falsely claiming certification under this chapter, provided that this subdivision does not prevent accurate and nonmisleading advertising or statements related to credentials that are not offered by this State; and

(5) selling or fraudulently obtaining or furnishing a certificate of registration, certification, license, or any other related document or record, or assisting another person in doing so, including by reincorporating or altering a trade name for the purpose or with the effect of evading or masking revocation, suspension, or discipline against a registration issued under this chapter.

Sec. 4. IMPLEMENTATION

(a) Notwithstanding any contrary provision of 26 V.S.A. chapter 107:

(1) The initial biennial registration term for residential contractors pursuant to 26 V.S.A. chapter 107 shall begin on April 1, 2022.

(2) The Secretary of State may begin receiving applications for the initial registration term on December 1, 2021.

(3)(A) The registration fee for individuals who submit complete registration requests between December 1, 2021 and March 31, 2022 is \$25.00 and between April 1, 2022 and March 31, 2023, the fee is \$50.00.

(B) The registration fee for business organizations that submit complete registration requests between December 1, 2021 and March 31, 2022 is \$175.00 and between April 1, 2022 and March 31, 2023, the fee is \$200.00.

(4) Prior to April 1, 2023, the Office of Professional Regulation shall not take any enforcement action for unauthorized practice under 26 V.S.A. § 5510(a) against a residential contractor who fails to register as required by this act.

(b) On or before July 1, 2022, the Director of Professional Regulation shall establish an initial set of voluntary certifications, to include at minimum OSHA standards on construction projects and components of energy-efficient “green” building for insulators, carpenters, and heating and ventilation installers.

(c) The Office of Professional Regulation shall adopt and publish model contract provisions to be available to residential contractors and consumers.

Sec. 5. CREATION OF POSITIONS WITHIN THE OFFICE OF PROFESSIONAL REGULATION; LICENSING

(a) There are created within the Secretary of State’s Office of Professional Regulation one new position in licensing and one new position in enforcement.

(b) In fiscal year 2022, the amount of \$200,000.00 in Office of Professional Regulation special funds is appropriated to the Secretary of State to fund the positions created in subsection (a) of this section.

Sec. 6. SECRETARY OF STATE; STATUS REPORT

On or before January 15, 2023, the Office of Professional Regulation shall report to the House Committee on General, Housing and Military Affairs and on Government Operations and to the Senate Committees on Economic Development, Housing and General Affairs and on Government Operations concerning the implementation of 26 V.S.A. chapter 107, including:

(1) the number of registrations and certifications;

(2) the resources necessary to implement the chapter;

(3) the number and nature of any complaints or enforcement actions;

(4) the potential design and implementation of a one-stop portal for contractors and consumers; and

(5) any other issues the Office deems appropriate.

Sec. 7. EFFECTIVE DATE

This act shall take effect on July 1, 2021.

And that the bill ought to pass in concurrence with such proposal of amendment.

Senator Sirotkin, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Economic Development, Housing and General Affairs.

Senator Baruth, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposal of amendment as recommended by the Committee on Economic Development, Housing and General Affairs.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Economic Development, Housing and General Affairs?, Senators Sirotkin, Clarkson and Bray moved to amend the proposal of amendment of the Committee on Economic Development, Housing and General Affairs as follows:

First: In Sec. 3, in 26 V.S.A. chapter 107, in section 5502, in subdivision (2), by striking out subdivision (B) in its entirety and inserting in lieu thereof a new subdivision (B) to read as follows:

(B) a business that performs residential construction if the work is performed primarily by or under the direct supervision of one or more employees who are individually exempt from registration under subdivision (2)(A) of this section;

Second: In Sec. 4, implementation, by adding a subsection (d) to read as follows:

(d) The Office of Professional Regulation shall collaborate with the Department of Public Safety and interested stakeholders to prepare and disseminate information, which the Office shall provide upon registration or certification, that:

(1) notifies registrants and certificants that the authorized practice of certain professions is subject to regulation by the Department of Public Safety, including through the licensure, registration, or certification of persons performing certain plumbing and electrical work; and

(2) specifies that registration or certification with the Office of Professional Regulation does not authorize a registrant or certificant to perform any work that requires a separate licensure, registration, or certification from the Department of Public Safety.

Which was agreed to.

Thereupon, the proposal of amendment of the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered on a roll call, Yeas 20, Nays 10.

Senator Sirotkin having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Bray, Champion, Chittenden, Clarkson, Cummings, Hardy, Hooker, Kitchel, Lyons, MacDonald, McCormack, Pearson, Perchlik, Pollina, Ram, Sears, Sirotkin, White.

Those Senators who voted in the negative were: Benning, Brock, Collamore, Ingalls, Mazza, Nitka, Parent, Starr, Terenzini, Westman.

Rules Suspended; Third Reading Ordered; Senate Resolution Adopted

S.R. 10.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and Senate resolution entitled:

Senate resolution condemning anti-Asian and anti-Pacific Islander hate in the United States and recognizing May 2021 as Asian American, Native Hawaiian, and Pacific Islander Heritage Month in Vermont.

Was taken up for immediate consideration.

Senator Ram, for the Committee on Economic Development, Housing and General Affairs, reported recommending that the resolution ought to be adopted.

Thereupon, the Senate resolution was read the second time by title only pursuant to Rule 43, and third reading of the Senate resolution was ordered.

Thereupon, on motion of Senator Balint, the rules were suspended and the Senate resolution was placed on all remaining stages of its adoption forthwith.

Thereupon, the Senate resolution was read the third time and adopted.

Rules Suspended; Third Reading Ordered; Senate Resolution Adopted

S.R. 11.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and Senate resolution entitled:

Senate resolution honoring the memory of George Floyd by designating May 25, 2021 as a Day of Remembrance and Action.

Was taken up for immediate consideration.

Senator Brock, for the Committee on Economic Development, Housing and General Affairs, reported recommending that the second Resolved clause be

amended, after the word “Delegation” and before the period, by inserting the following:

, the George Floyd Memorial Foundation, and the family of George Floyd

And that the Senate resolution ought to be adopted with such recommendation of amendment.

Thereupon, the joint resolution was read the second time by title only pursuant to Rule 43, the recommendation of amendment was agreed to, and third reading of the Senate resolution was ordered.

Thereupon, on motion of Senator Balint, the rules were suspended and the Senate resolution was placed on all remaining stages of its adoption.

Thereupon, the Senate resolution was read the third time and adopted.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment to House Proposal of Amendment Concurred In

S. 3.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House Proposal of Amendment to Senate bill entitled:

An act relating to competency to stand trial and insanity as a defense.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment to House proposal of Amendment with further amendment thereto as follows:

By striking out Sec. 6, reports; forensic care working group; prosecutor notification; competency restoration models, in its entirety and inserting in lieu thereof a new Sec. 6 to read as follows:

Sec. 6. REPORTS; FORENSIC CARE WORKING GROUP; PROSECUTOR NOTIFICATION; COMPETENCY RESTORATION MODELS

(a) On or before July 15, 2021, the Department of Mental Health shall convene working groups of interested stakeholders to provide recommendations necessary to carry out the provisions in subsections (b) and (c) of this section, including as appropriate:

(1) a representative from the Department of Corrections;

(2) a representative from the Department of Disabilities, Aging, and Independent Living;

(3) a representative from the Department of Buildings and General Services;

-
- (4) the Chief Superior Judge;
 - (5) a representative from the Department of State's Attorneys and Sheriffs;
 - (6) a representative from the Office of the Attorney General;
 - (7) a representative from the Office of the Defender General;
 - (8) the Director of Health Care Reform or designee;
 - (9) a representative, appointed by Vermont Care Partners;
 - (10) a representative, appointed by Vermont Legal Aid's Mental Health Project;
 - (11) a representative, appointed by the Vermont Medical Society;
 - (12) three crime victims representatives, appointed by the Vermont Center for Crime Victim Services;
 - (13) the Mental Health Care Ombudsman established pursuant to 18 V.S.A. § 7259 or designee;
 - (14) a representative of the designated hospitals, appointed by the Vermont Association of Hospitals and Health Care Systems;
 - (15) three individuals with lived experience of mental illness, at least one of whom has lived experience of the criminal justice system or the civil commitment system, or both, appointed by Vermont Psychiatric Survivors;
 - (16) a representative, appointed by the Vermont Developmental Disabilities Council; and
 - (17) any other interested party permitted by the Commissioner of Mental Health.
- (b)(1) On or before August 1, 2022, the Department of Mental Health shall submit a final report to the Joint Legislative Justice Oversight Committee and the Chairs of the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and of the Senate Committees on Health and Welfare and on Judiciary addressing:
- (A) any gaps in the current mental health and criminal justice system structure related to individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity;
 - (B) opportunities to:
 - (i) improve public safety and address the treatment needs for individuals incompetent to stand trial or who are adjudicated not guilty by reason of insanity; and

(ii) consider the importance of victims' rights in the forensic care process;

(C) competency restoration models used in other states, including both models that do not rely on involuntary medication to restore competency and how cases where competency is not restored are addressed;

(D) models used in other states to determine public safety risks and the means used to address such risks, including guilty but mentally ill verdicts in criminal cases;

(E) due process requirements for defendants held without adjudication of a crime and presumed innocent;

(F) processes regarding other mental conditions affecting competence or sanity, including intellectual disabilities, traumatic brain injury, and dementia;

(G) models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility; and

(H) any additional recommendations.

(2) On or before January 15, 2022, the Department shall submit a preliminary report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary summarizing the work completed pursuant to subdivision (1) of this subsection to date, except with regard to the work completed pursuant to subdivision (1)(G).

(c) On or before February 15, 2022, the Department of Mental Health shall submit a report to the House Committees on Corrections and Institutions, on Health Care, and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary that:

(1) assesses the necessity of notification to the prosecutor upon becoming aware that individuals on orders of nonhospitalization pursuant to 18 V.S.A. § 7618 are not complying with the order or that the alternative treatment is not adequate to meet the individual's treatment needs, including any recommendations:

(A) necessary to clarify the process;

(B) addressing what facts and circumstances should trigger the Commissioner's duty to notify the prosecutor; and

(C) addressing steps that the prosecutor should take after receiving the notification; and

(2) summarizes the work completed to date by the working groups regarding the models for forensic treatment, including the size, scope, and fiscal impact of any forensic treatment facility, pursuant to subdivision (b)(1)(G) of this section.

(d)(1) In conducting the work required by this section, including evaluations for forensic treatment facility models, pursuant to subsections (b) and (c) of this section, the working group shall ensure:

(A) that social and racial equity issues are considered, including issues related to transgender and gender nonconforming persons; and

(B) consistency with the General Assembly's policy in 18 V.S.A. § 7629(c) of working "toward a mental health system that does not require coercion or the use of involuntary medication."

(2) These considerations shall be reflected in the final report submitted pursuant to subdivision (b)(1) of this section and the report submitted pursuant to subsection (c) of this section.

(e) The Department shall access regional or national expertise to present models to the working group for review, including any model recommended by members of the working group.

(f) The final report submitted pursuant to subdivision (b)(1) of this section and the report submitted pursuant to subdivision (c)(1) of this section shall include proposed draft legislation addressing any identified needed changes to statute.

(g) Members of the working group who are neither State employees nor otherwise paid to participate in the working group in their professional capacity shall be entitled to per diem compensation and reimbursement of expenses for attending meetings as permitted under 32 V.S.A. § 1010.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment to the House proposal of Amendment?, was decided in the affirmative.

Rules Suspended; House Proposals of Amendment to Senate Proposal of Amendment Concurred In; Rules Suspended; Bill Messaged

H. 436.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposals of amendment to Senate proposal of amendment to House bill entitled:

An act relating to miscellaneous changes to Vermont's tax laws.

Were taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further amendment thereto as follows:

First: By striking out Sec. 17, education property tax; yields; nonhomestead rate, in its entirety and inserting in lieu thereof the following to read:

Sec. 17. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD RATE FOR FISCAL YEAR 2022

(a) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the property dollar equivalent yield shall be \$11,317.00.

(b) Pursuant to 32 V.S.A. § 5402b(b), for fiscal year 2022 only, the income dollar equivalent yield shall be \$13,770.00.

(c) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of law to the contrary, the tax rate for nonhomestead property for fiscal year 2022 shall be \$1.612 per \$100.00 of equalized education property value.

Second: By striking out Sec. 26, tax increment financing districts, in its entirety, and inserting in lieu thereof the following:

Sec. 26. 32 V.S.A. § 5404a(l) is amended to read:

(l) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council. The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

(1)(A) For municipalities with a district created prior to January 1, 2006 and a debt repayment schedule that anticipates retention of education increment beyond fiscal year 2016, an audit shall be conducted when approximately three-quarters of the period for retention of education increment has elapsed, and at the end of that same period, an audit shall be conducted for the final one-quarter period for retention of education increment, ~~except that for the Milton Catamount/Husky district and the Burlington Waterfront district only a final audit shall be conducted to cover the period from the effective date~~

~~of the rules pursuant to subdivision (j)(1) of this section to the end of the retention period.~~

(B) Notwithstanding subdivision (1)(A) of this subsection, the audit schedule for the Burlington Waterfront Tax Increment Financing District shall be as follows:

(i) an audit shall be conducted on or after October 1, 2021;

(ii) an audit shall be conducted not more than three years from the date debt is incurred as allowed by 2020 Acts and Resolves No. 175, Sec. 29 (4);

(iii) a final audit shall be conducted at the end of the retention period for the District.

* * *

Sec. 26a. 2020 Acts and Resolves No. 175, Sec. 29 is amended to read:

Sec. 29. TAX INCREMENT FINANCING DISTRICTS; DEBT
INCURRENCE PERIODS; EXTENSIONS

(a) Notwithstanding any other provision of law, the period to incur indebtedness is extended for the following tax increment financing districts:

(1) The Barre City Downtown Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(2) The Bennington Downtown Tax Increment Financing District is extended to ~~March 31, 2028~~ March 31, 2029.

(3) The Burlington Downtown Tax Increment Financing District is extended to ~~March 31, 2022~~ March 31, 2023.

(4) The three properties located within the Burlington Waterfront Tax Increment Financing District at 49 Church Street and 75 Cherry Street, as designated on the City of Burlington's Tax Parcel Maps as Parcel ID# 044-4-004-000, Parcel ID# 044-4-004-001, and Parcel ID# 044-4-033-000, is extended to ~~June 30, 2022~~ June 30, 2023; provided, however, that the extension of the period to incur indebtedness is subject to the City of Burlington's submission to the Vermont Economic Progress Council on or before ~~June 30, 2022~~ June 30, 2023 of an executed construction contract with a completion guarantee by the owner of the parcels evidencing commitment to construct not less than \$50 million of private development on the parcels.

(5) The Montpelier Tax Increment Financing District is extended to ~~March 31, 2029~~ March 31, 2030.

(6) The South Burlington Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(7) The St. Albans City Downtown Tax Increment Financing District is extended to ~~March 31, 2023~~ March 31, 2024.

(b) This section does not:

(1) extend any period that the municipal or education tax increment may be retained by the tax increment financing districts listed in subsection (a) of this section; or

(2) amend any other tax increment financing requirements set forth in 24 V.S.A. chapter 53, subchapter 5; 32 V.S.A. § 5404a; or the TIF District Rule adopted in May 2015, applicable to the tax increment financing districts listed in subsection (a) of this section.

Thereupon, the question, Shall the Senate concur in the House proposals of amendment to the Senate proposal of amendment?, were severally decided in the affirmative.

Thereupon, on motion of Senator Balint, the rules were suspended and the bill was ordered messaged to the House forthwith.

Rules Suspended; Bill Delivered

On motion of Senator Balint, the rules were suspended, and the following bill was ordered delivered to the Governor forthwith:

S. 3.

Appointment Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator White, the following Gubernatorial appointments were confirmed together as a group by the Senate, without reports given by the Committees to which they were referred and without debate:

The nomination of

Katz, Adrienne of Williston - Member, Board of Libraries - August 24, 2020 to February 29, 2024.

Was confirmed by the Senate.

The nomination of

Wobby, Lauren of Northfield - Member Vermont Educational and Health Buildings Financing Agency - July 15, 2020 to February 28, 2026.

Was confirmed by the Senate.

Adjournment

On motion of Senator Balint, the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate**H. 439.**

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and the report of the Committee of Conference on House bill entitled:

An act relating to making appropriations for the support of government.

Was taken up for immediate consideration.

Senator Kitchel, for the Committee of Conference, submitted the following report:

To the Senate and House of Representatives:

The Committee of Conference to which were referred the disagreeing votes of the two Houses upon House bill entitled:

H. 439. An act relating to making appropriations for the support of government.

Respectfully reports that it has met and considered the same and recommends that the Senate recede from its proposal of amendment and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2022 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government during fiscal year 2022. It is the express intent of the General Assembly that activities of the various agencies, departments, divisions, boards, and commissions be limited to those that can be supported by funds appropriated in this act or other acts passed prior to June 30, 2021. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2022 so as to meet this condition unless

otherwise directed by specific language in this act or other acts of the General Assembly.

Sec. A.102 APPROPRIATIONS

(a) It is the intent of the General Assembly that this act serves as the primary source and reference for appropriations for fiscal year 2022.

(b) The sums in this act stated are appropriated for the purposes specified in the following sections of this act. When no time is expressly stated during which any of the appropriations are to continue, the appropriations are single year appropriations and only for the purpose indicated and shall be paid from funds shown as the source of funds. If in this act there is an error in either addition or subtraction, the totals shall be adjusted accordingly. Apparent errors in referring to section numbers of statutory titles within this act may be disregarded by the Commissioner of Finance and Management.

(c) Unless codified or otherwise specified, all narrative portions of this act apply only to the fiscal year ending on June 30, 2022.

Sec. A.103 DEFINITIONS

(a) As used in this act:

(1) “Encumbrances” means a portion of an appropriation reserved for the subsequent payment of existing purchase orders or contracts. The Commissioner of Finance and Management shall make final decisions on the appropriateness of encumbrances.

(2) “Grants” means subsidies, aid, or payments to local governments, to community and quasi-public agencies for providing local services, and to persons who are not wards of the State for services or supplies and means cash or other direct assistance, including pension contributions.

(3) “Operating expenses” means property management; repair and maintenance; rental expenses; insurance; postage; travel; energy and utilities; office and other supplies; equipment, including motor vehicles, highway materials, and construction; expenditures for the purchase of land and construction of new buildings and permanent improvements; and similar items.

(4) “Personal services” means wages and salaries, fringe benefits, per diems, contracted third-party services, and similar items.

Sec. A.104 RELATIONSHIP TO EXISTING LAWS

(a) Except as specifically provided, this act shall not be construed in any way to negate or impair the full force and effect of existing laws.

Sec. A.105 OFFSETTING APPROPRIATIONS

(a) In the absence of specific provisions to the contrary in this act, when total appropriations are offset by estimated receipts, the State appropriations shall control, notwithstanding receipts being greater or less than anticipated.

Sec. A.106 FEDERAL FUNDS

(a) In fiscal year 2022, the Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may accept federal funds available to the State of Vermont, including block grants in lieu of or in addition to funds in this act designated as federal. The Governor, with the approval of the General Assembly or the Joint Fiscal Committee if the General Assembly is not in session, may allocate all or any portion of such federal funds for any purpose consistent with the purposes for which the basic appropriations in this act have been made.

(b) If, during fiscal year 2022, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2021 session of the Vermont General Assembly are converted into block grants or are abolished under their current title in federal law and reestablished under a new title in federal law, the Governor may continue to accept such federal funds for any purpose consistent with the purposes for which the federal funds were appropriated. The Governor may spend such funds for such purposes for not more than 45 days prior to legislative or Joint Fiscal Committee approval. Notice shall be given to the Joint Fiscal Committee without delay if the Governor intends to use the authority granted by this section, and the Joint Fiscal Committee shall meet in an expedited manner to review the Governor's request for approval.

Sec. A.107 NEW POSITIONS

(a) Notwithstanding any other provision of law, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(11), shall not be increased during fiscal year 2022 except for new positions authorized by the 2021 session. Limited service positions approved pursuant to 32 V.S.A. § 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) The bill is organized by functions of government. The sections between B.100 and B.9999 contain appropriations of funds for the upcoming budget year. The sections between E.100 and E.9999 contain language that relates to specific appropriations or government functions, or both. The function areas by section numbers are as follows:

<u>B.100–B.199 and E.100–E.199</u>	<u>General Government</u>
<u>B.200–B.299 and E.200–E.299</u>	<u>Protection to Persons and Property</u>
<u>B.300–B.399 and E.300–E.399</u>	<u>Human Services</u>
<u>B.400–B.499 and E.400–E.499</u>	<u>Labor</u>
<u>B.500–B.599 and E.500–E.599</u>	<u>General Education</u>
<u>B.600–B.699 and E.600–E.699</u>	<u>Higher Education</u>
<u>B.700–B.799 and E.700–E.799</u>	<u>Natural Resources</u>
<u>B.800–B.899 and E.800–E.899</u>	<u>Commerce and Community Development</u>
<u>B.900–B.999 and E.900–E.999</u>	<u>Transportation</u>
<u>B.1000–B.1099 and E.1000–E.1099</u>	<u>Debt Service</u>
<u>B.1100–B.1199 and E.1100–E.1199</u>	<u>One-time and other appropriation actions</u>

(b) The C sections contain any amendments to the current fiscal year, the D sections contain fund transfers and reserve allocations for the upcoming budget year, the F sections contain Pay Act provisions, the G sections contain provisions relating to the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (ARPA) - Coronavirus State Fiscal Recovery Fund expenditures and other related funding and the H sections contain provisions relating to community and economic development and workforce revitalization.

Sec. B.100 Secretary of administration - secretary's office

Personal services	1,400,682
Operating expenses	104,476
Grants	<u>125,000</u>
Total	1,630,158
Source of funds	
General fund	1,121,847
Special funds	156,000
Internal service funds	173,452
Interdepartmental transfers	<u>178,859</u>
Total	1,630,158

Sec. B.101 Secretary of administration - finance

Personal services	1,201,006
Operating expenses	<u>111,676</u>
Total	1,312,682
Source of funds	

FRIDAY, MAY 21, 2021

1241

Interdepartmental transfers	<u>1,312,682</u>
Total	1,312,682
Sec. B.102 Secretary of administration - workers' compensation insurance	
Personal services	857,369
Operating expenses	<u>118,051</u>
Total	975,420
Source of funds	
Internal service funds	<u>975,420</u>
Total	975,420
Sec. B.103 Secretary of administration - general liability insurance	
Personal services	595,683
Operating expenses	<u>43,858</u>
Total	639,541
Source of funds	
Internal service funds	<u>639,541</u>
Total	639,541
Sec. B.104 Secretary of administration - all other insurance	
Personal services	100,000
Operating expenses	<u>17,643</u>
Total	117,643
Source of funds	
Internal service funds	<u>117,643</u>
Total	117,643
Sec. B.105 Agency of digital services - communications and information technology	
Personal services	56,068,290
Operating expenses	<u>27,848,442</u>
Total	83,916,732
Source of funds	
General fund	174,342
Special funds	387,710
Internal service funds	<u>83,354,680</u>
Total	83,916,732
Sec. B.106 Finance and management - budget and management	
Personal services	1,546,300
Operating expenses	<u>326,217</u>
Total	1,872,517
Source of funds	

General fund	1,277,150
Internal service funds	<u>595,367</u>
Total	1,872,517
Sec. B.107 Finance and management - financial operations	
Personal services	2,148,578
Operating expenses	<u>701,465</u>
Total	2,850,043
Source of funds	
Internal service funds	<u>2,850,043</u>
Total	2,850,043
Sec. B.108 Human resources - operations	
Personal services	8,799,075
Operating expenses	<u>1,287,313</u>
Total	10,086,388
Source of funds	
General fund	2,044,399
Special funds	263,589
Internal service funds	7,334,516
Interdepartmental transfers	<u>443,884</u>
Total	10,086,388
Sec. B.108.1 Human resources - VTNR operations	
Personal services	1,666,791
Operating expenses	<u>705,383</u>
Total	2,372,174
Source of funds	
Internal service funds	<u>2,372,174</u>
Total	2,372,174
Sec. B.109 Human resources - employee benefits & wellness	
Personal services	984,701
Operating expenses	<u>571,628</u>
Total	1,556,329
Source of funds	
Internal service funds	<u>1,556,329</u>
Total	1,556,329
Sec. B.110 Libraries	
Personal services	2,148,542
Operating expenses	902,085
Grants	<u>207,795</u>

FRIDAY, MAY 21, 2021

1243

Total	3,258,422
Source of funds	
General fund	1,965,363
Special funds	34,327
Federal funds	1,150,041
Interdepartmental transfers	<u>108,691</u>
Total	3,258,422
Sec. B.111 Tax - administration/collection	
Personal services	16,359,596
Operating expenses	<u>6,063,586</u>
Total	22,423,182
Source of funds	
General fund	20,382,265
Special funds	2,006,808
Interdepartmental transfers	<u>34,109</u>
Total	22,423,182
Sec. B.112 Buildings and general services - administration	
Personal services	715,251
Operating expenses	<u>104,757</u>
Total	820,008
Source of funds	
Interdepartmental transfers	<u>820,008</u>
Total	820,008
Sec. B.113 Buildings and general services - engineering	
Personal services	2,627,067
Operating expenses	<u>1,497,407</u>
Total	4,124,474
Source of funds	
Interdepartmental transfers	<u>4,124,474</u>
Total	4,124,474
Sec. B.114 Buildings and general services - information centers	
Personal services	2,830,882
Operating expenses	<u>2,211,147</u>
Total	5,042,029
Source of funds	
General fund	630,652
Transportation fund	3,911,594
Special funds	<u>499,783</u>
Total	5,042,029

Sec. B.115 Buildings and general services - purchasing	
Personal services	1,029,319
Operating expenses	<u>211,360</u>
Total	1,240,679
Source of funds	
General fund	<u>1,240,679</u>
Total	1,240,679
Sec. B.116 Buildings and general services - postal services	
Personal services	677,141
Operating expenses	<u>247,846</u>
Total	924,987
Source of funds	
General fund	82,511
Internal service funds	<u>842,476</u>
Total	924,987
Sec. B.117 Buildings and general services - copy center	
Personal services	763,585
Operating expenses	<u>173,362</u>
Total	936,947
Source of funds	
Internal service funds	<u>936,947</u>
Total	936,947
Sec. B.118 Buildings and general services - fleet management services	
Personal services	693,313
Operating expenses	<u>242,645</u>
Total	935,958
Source of funds	
Internal service funds	<u>935,958</u>
Total	935,958
Sec. B.119 Buildings and general services - federal surplus property	
Operating expenses	<u>6,840</u>
Total	6,840
Source of funds	
Enterprise funds	<u>6,840</u>
Total	6,840
Sec. B.120 Buildings and general services - state surplus property	
Personal services	303,458

Operating expenses	<u>124,052</u>
Total	427,510
Source of funds	
Internal service funds	<u>427,510</u>
Total	427,510
Sec. B.121 Buildings and general services - property management	
Personal services	1,310,767
Operating expenses	<u>486,368</u>
Total	1,797,135
Source of funds	
Internal service funds	<u>1,797,135</u>
Total	1,797,135
Sec. B.122 Buildings and general services - fee for space	
Personal services	15,866,280
Operating expenses	<u>13,699,234</u>
Total	29,565,514
Source of funds	
Internal service funds	<u>29,565,514</u>
Total	29,565,514
Sec. B.124 Executive office - governor's office	
Personal services	1,394,981
Operating expenses	<u>475,012</u>
Total	1,869,993
Source of funds	
General fund	1,672,493
Interdepartmental transfers	<u>197,500</u>
Total	1,869,993
Sec. B.125 Legislative counsel	
Personal services	3,149,408
Operating expenses	<u>250,828</u>
Total	3,400,236
Source of funds	
General fund	<u>3,400,236</u>
Total	3,400,236
Sec. B.126 Legislature	
Personal services	5,033,474
Operating expenses	<u>3,768,163</u>
Total	8,801,637

Source of funds	
General fund	<u>8,801,637</u>
Total	8,801,637
Sec. B.126.1 Legislative information technology	
Personal services	1,028,974
Operating expenses	<u>562,941</u>
Total	1,591,915
Source of funds	
General fund	<u>1,591,915</u>
Total	1,591,915
Sec. B.127 Joint fiscal committee	
Personal services	2,288,387
Operating expenses	<u>158,873</u>
Total	2,447,260
Source of funds	
General fund	2,322,260
Interdepartmental transfers	<u>125,000</u>
Total	2,447,260
Sec. B.128 Sergeant at arms	
Personal services	954,232
Operating expenses	<u>113,792</u>
Total	1,068,024
Source of funds	
General fund	<u>1,068,024</u>
Total	1,068,024
Sec. B.129 Lieutenant governor	
Personal services	200,056
Operating expenses	<u>39,473</u>
Total	239,529
Source of funds	
General fund	<u>239,529</u>
Total	239,529
Sec. B.130 Auditor of accounts	
Personal services	3,965,350
Operating expenses	<u>155,226</u>
Total	4,120,576
Source of funds	
General fund	344,615

Special funds	53,145
Internal service funds	<u>3,722,816</u>
Total	4,120,576
Sec. B.131 State treasurer	
Personal services	4,066,430
Operating expenses	<u>222,134</u>
Total	4,288,564
Source of funds	
General fund	1,066,424
Special funds	3,064,451
Interdepartmental transfers	<u>157,689</u>
Total	4,288,564
Sec. B.132 State treasurer - unclaimed property	
Personal services	801,509
Operating expenses	<u>333,777</u>
Total	1,135,286
Source of funds	
Private purpose trust funds	<u>1,135,286</u>
Total	1,135,286
Sec. B.133 Vermont state retirement system	
Personal services	3,338,784
Operating expenses	<u>1,517,283</u>
Total	4,856,067
Source of funds	
Pension trust funds	<u>4,856,067</u>
Total	4,856,067
Sec. B.134 Municipal employees' retirement system	
Personal services	1,372,679
Operating expenses	<u>940,333</u>
Total	2,313,012
Source of funds	
Pension trust funds	<u>2,313,012</u>
Total	2,313,012
Sec. B.135 State labor relations board	
Personal services	227,764
Operating expenses	<u>54,876</u>
Total	282,640
Source of funds	

General fund	273,064
Special funds	6,788
Interdepartmental transfers	<u>2,788</u>
Total	282,640
Sec. B.136 VOSHA review board	
Personal services	77,471
Operating expenses	<u>14,444</u>
Total	91,915
Source of funds	
General fund	45,958
Interdepartmental transfers	<u>45,957</u>
Total	91,915
Sec. B.136.1 Ethics Commission	
Personal services	83,826
Operating expenses	<u>29,491</u>
Total	113,317
Source of funds	
Internal service funds	<u>113,317</u>
Total	113,317
Sec. B.137 Homeowner rebate	
Grants	<u>18,600,000</u>
Total	18,600,000
Source of funds	
General fund	<u>18,600,000</u>
Total	18,600,000
Sec. B.138 Renter rebate	
Grants	<u>9,500,000</u>
Total	9,500,000
Source of funds	
General fund	<u>9,500,000</u>
Total	9,500,000
Sec. B.139 Tax department - reappraisal and listing payments	
Grants	<u>3,313,356</u>
Total	3,313,356
Source of funds	
General fund	<u>3,313,356</u>
Total	3,313,356

Sec. B.140 Municipal current use

Grants	<u>17,824,193</u>
Total	17,824,193
Source of funds	
General fund	<u>17,824,193</u>
Total	17,824,193

Sec. B.142 Payments in lieu of taxes

Grants	<u>9,750,000</u>
Total	9,750,000
Source of funds	
Special funds	<u>9,750,000</u>
Total	9,750,000

Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	<u>184,000</u>
Total	184,000
Source of funds	
Special funds	<u>184,000</u>
Total	184,000

Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	<u>40,000</u>
Total	40,000
Source of funds	
Special funds	<u>40,000</u>
Total	40,000

Sec. B.145 Total general government

Source of funds	
General fund	98,982,912
Transportation fund	3,911,594
Special funds	16,446,601
Federal funds	1,150,041
Internal service funds	138,310,838
Interdepartmental transfers	7,551,641
Enterprise funds	6,840
Pension trust funds	7,169,079
Private purpose trust funds	<u>1,135,286</u>
Total	274,664,832

Sec. B.200 Attorney general

Personal services	11,337,832
Operating expenses	1,555,031
Grants	<u>26,500</u>
Total	12,919,363

Source of funds

General fund	6,246,043
Special funds	1,886,016
Tobacco fund	348,000
Federal funds	1,382,278
Interdepartmental transfers	<u>3,057,026</u>
Total	12,919,363

Sec. B.201 Vermont court diversion

Personal services	244,715
Grants	<u>2,682,925</u>
Total	2,927,640

Source of funds

General fund	2,669,643
Special funds	<u>257,997</u>
Total	2,927,640

Sec. B.202 Defender general - public defense

Personal services	12,730,062
Operating expenses	<u>1,140,326</u>
Total	13,870,388

Source of funds

General fund	13,280,735
Special funds	<u>589,653</u>
Total	13,870,388

Sec. B.203 Defender general - assigned counsel

Personal services	6,146,919
Operating expenses	<u>49,500</u>
Total	6,196,419

Source of funds

General fund	<u>6,196,419</u>
Total	6,196,419

Sec. B.204 Judiciary

Personal services	43,787,084
Operating expenses	10,626,239

Grants	<u>121,030</u>
Total	54,534,353
Source of funds	
General fund	48,337,826
Special funds	3,200,659
Federal funds	900,469
Interdepartmental transfers	<u>2,095,399</u>
Total	54,534,353
Sec. B.205 State's attorneys	
Personal services	14,772,449
Operating expenses	<u>1,941,311</u>
Total	16,713,760
Source of funds	
General fund	13,745,777
Special funds	85,324
Federal funds	212,828
Interdepartmental transfers	<u>2,669,831</u>
Total	16,713,760
Sec. B.206 Special investigative unit	
Personal services	86,200
Grants	<u>2,014,230</u>
Total	2,100,430
Source of funds	
General fund	<u>2,100,430</u>
Total	2,100,430
Sec. B.207 Sheriffs	
Personal services	4,251,923
Operating expenses	<u>398,724</u>
Total	4,650,647
Source of funds	
General fund	<u>4,650,647</u>
Total	4,650,647
Sec. B.208 Public safety - administration	
Personal services	4,005,613
Operating expenses	4,835,894
Total	8,841,507
Source of funds	
General fund	5,070,962
Special funds	4,105

Federal funds	556,962
Interdepartmental transfers	<u>3,209,478</u>
Total	8,841,507
Sec. B.209 Public safety - state police	
Personal services	59,873,563
Operating expenses	12,188,735
Grants	867,153
Total	72,929,451
Source of funds	
General fund	43,273,740
Transportation fund	20,250,000
Special funds	3,103,294
Federal funds	4,417,066
Interdepartmental transfers	<u>1,885,351</u>
Total	72,929,451
Sec. B.210 Public safety - criminal justice services	
Personal services	4,854,150
Operating expenses	1,748,074
Total	6,602,224
Source of funds	
General fund	1,813,747
Special funds	4,169,503
Federal funds	<u>618,974</u>
Total	6,602,224
Sec. B.211 Public safety - emergency management	
Personal services	3,622,802
Operating expenses	1,208,465
Grants	12,749,486
Total	17,580,753
Source of funds	
General fund	589,847
Special funds	710,000
Federal funds	16,273,680
Interdepartmental transfers	<u>7,226</u>
Total	17,580,753
Sec. B.212 Public safety - fire safety	
Personal services	6,900,872
Operating expenses	2,621,228
Grants	107,000

Total	9,629,100
Source of funds	
General fund	461,669
Special funds	8,639,610
Federal funds	482,821
Interdepartmental transfers	<u>45,000</u>
Total	9,629,100
Sec. B.213 Public safety - Forensic Laboratory	
Personal services	3,051,799
Operating expenses	1,111,583
Total	4,163,382
Source of funds	
General fund	3,217,665
Special funds	61,852
Federal funds	531,072
Interdepartmental transfers	<u>352,793</u>
Total	4,163,382
Sec. B.215 Military - administration	
Personal services	705,613
Operating expenses	649,055
Grants	1,319,834
Total	2,674,502
Source of funds	
General fund	<u>2,674,502</u>
Total	2,674,502
Sec. B.216 Military - air service contract	
Personal services	6,926,201
Operating expenses	1,126,174
Total	8,052,375
Source of funds	
General fund	613,964
Federal funds	<u>7,438,411</u>
Total	8,052,375
Sec. B.217 Military - army service contract	
Personal services	13,662,589
Operating expenses	<u>8,036,445</u>
Total	21,699,034
Source of funds	

Federal funds	<u>21,699,034</u>
Total	21,699,034
Sec. B.218 Military - building maintenance	
Personal services	877,574
Operating expenses	719,418
Total	1,596,992
Source of funds	
General fund	1,534,492
Special funds	<u>62,500</u>
Total	1,596,992
Sec. B.219 Military - veterans' affairs	
Personal services	868,747
Operating expenses	169,267
Grants	49,300
Total	1,087,314
Source of funds	
General fund	823,965
Special funds	163,349
Federal funds	<u>100,000</u>
Total	1,087,314
Sec. B.220 Center for crime victim services	
Personal services	1,848,483
Operating expenses	386,510
Grants	10,388,535
Total	12,623,528
Source of funds	
General fund	1,382,712
Special funds	4,628,381
Federal funds	<u>6,612,435</u>
Total	12,623,528
Sec. B.221 Criminal justice council	
Personal services	1,789,698
Operating expenses	1,382,557
Total	3,172,255
Source of funds	
General fund	2,931,638
Interdepartmental transfers	<u>240,617</u>
Total	3,172,255

 Sec. B.222 Agriculture, food and markets - administration

Personal services	1,708,448
Operating expenses	458,028
Grants	227,972
Total	2,394,448
Source of funds	
General fund	1,037,364
Special funds	901,167
Federal funds	<u>455,917</u>
Total	2,394,448

Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	4,295,567
Operating expenses	731,597
Grants	2,780,000
Total	7,807,164
Source of funds	
General fund	2,998,665
Special funds	3,647,045
Federal funds	1,154,454
Interdepartmental transfers	<u>7,000</u>
Total	7,807,164

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	3,259,502
Operating expenses	601,797
Grants	3,212,425
Total	7,073,724
Source of funds	
General fund	2,230,367
Special funds	686,753
Federal funds	<u>4,156,604</u>
Total	7,073,724

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	2,689,658
Operating expenses	623,905
Grants	295,334
Total	3,608,897
Source of funds	

General fund	778,555
Special funds	2,084,017
Federal funds	466,470
Interdepartmental transfers	<u>279,855</u>
Total	3,608,897
Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab	
Personal services	1,658,109
Operating expenses	1,072,026
Total	2,730,135
Source of funds	
General fund	972,444
Special funds	1,690,632
Interdepartmental transfers	<u>67,059</u>
Total	2,730,135
Sec. B.225.2 Agriculture, Food and Markets - Clean Water	
Personal services	3,249,011
Operating expenses	486,344
Grants	4,060,891
Total	7,796,246
Source of funds	
General fund	1,087,080
Special funds	6,089,920
Federal funds	133,534
Interdepartmental transfers	<u>485,712</u>
Total	7,796,246
Sec. B.226 Financial regulation - administration	
Personal services	2,192,277
Operating expenses	287,859
Total	2,480,136
Source of funds	
Special funds	<u>2,480,136</u>
Total	2,480,136
Sec. B.227 Financial regulation - banking	
Personal services	1,952,985
Operating expenses	443,717
Total	2,396,702
Source of funds	

Special funds	<u>2,396,702</u>
Total	2,396,702
Sec. B.228 Financial regulation - insurance	
Personal services	4,231,076
Operating expenses	612,474
Total	4,843,550
Source of funds	
Special funds	<u>4,843,550</u>
Total	4,843,550
Sec. B.229 Financial regulation - captive insurance	
Personal services	4,462,433
Operating expenses	635,148
Total	5,097,581
Source of funds	
Special funds	<u>5,097,581</u>
Total	5,097,581
Sec. B.230 Financial regulation - securities	
Personal services	1,090,028
Operating expenses	267,752
Total	1,357,780
Source of funds	
Special funds	<u>1,357,780</u>
Total	1,357,780
Sec. B.232 Secretary of state	
Personal services	10,735,193
Operating expenses	3,366,058
Total	14,101,251
Source of funds	
Special funds	12,643,807
Federal funds	<u>1,457,444</u>
Total	14,101,251
Sec. B.233 Public service - regulation and energy	
Personal services	10,455,905
Operating expenses	1,129,688
Grants	858,000
Total	12,443,593
Source of funds	
Special funds	10,812,770

Federal funds	1,001,919
ARRA funds	520,000
Interdepartmental transfers	55,000
Enterprise funds	<u>53,904</u>
Total	12,443,593
Sec. B.234 Public utility commission	
Personal services	3,412,556
Operating expenses	495,007
Total	3,907,563
Source of funds	
Special funds	<u>3,907,563</u>
Total	3,907,563
Sec. B.235 Enhanced 9-1-1 Board	
Personal services	4,012,033
Operating expenses	456,180
Total	4,468,213
Source of funds	
Special funds	<u>4,468,213</u>
Total	4,468,213
Sec. B.236 Human rights commission	
Personal services	636,832
Operating expenses	81,350
Total	718,182
Source of funds	
General fund	639,626
Federal funds	<u>78,556</u>
Total	718,182
Sec. B.236.1 Liquor & Lottery Comm. Office	
Personal services	419,403
Operating expenses	21,299
Total	440,702
Source of funds	
Enterprise funds	<u>440,702</u>
Total	440,702
Sec. B.236.2 Lottery Operations	
Personal services	2,068,967
Operating expenses	1,469,560
Grants	250,000

Total	3,788,527
Source of funds	
Enterprise funds	<u>3,788,527</u>
Total	3,788,527
Sec. B.237 Liquor control - administration	
Personal services	3,754,315
Operating expenses	1,178,748
Total	4,933,063
Source of funds	
Tobacco fund	213,843
Enterprise funds	<u>4,719,220</u>
Total	4,933,063
Sec. B.238 Liquor control - enforcement and licensing	
Personal services	1,960,344
Operating expenses	414,536
Total	2,374,880
Source of funds	
Federal funds	184,484
Enterprise funds	<u>2,190,396</u>
Total	2,374,880
Sec. B.239 Liquor control - warehousing and distribution	
Personal services	1,062,133
Operating expenses	530,736
Total	1,592,869
Source of funds	
Enterprise funds	<u>1,592,869</u>
Total	1,592,869
Sec. B.240 Cannabis Control Board	
Personal services	650,000
Total	650,000
Source of funds	
Special funds	<u>650,000</u>
Total	650,000
Sec. B.241 Total protection to persons and property	
Source of funds	
General fund	171,360,524
Transportation fund	20,250,000
Special funds	91,319,879

Tobacco fund	561,843
Federal funds	70,315,412
ARRA funds	520,000
Interdepartmental transfers	14,457,347
Enterprise funds	<u>12,785,618</u>
Total	381,570,623
Sec. B.300 Human services - agency of human services - secretary's office	
Personal services	11,427,819
Operating expenses	5,214,621
Grants	2,895,202
Total	19,537,642
Source of funds	
General fund	8,430,401
Special funds	135,517
Federal funds	9,959,398
Global Commitment fund	453,000
Interdepartmental transfers	<u>559,326</u>
Total	19,537,642
Sec. B.301 Secretary's office - global commitment	
Grants	1,680,637,999
Total	1,680,637,999
Source of funds	
General fund	559,592,034
Special funds	33,370,086
Tobacco fund	21,049,373
State health care resources fund	17,078,501
Federal funds	1,044,929,568
Interdepartmental transfers	<u>4,618,437</u>
Total	1,680,637,999
Sec. B.303 Developmental disabilities council	
Personal services	389,631
Operating expenses	94,884
Grants	191,595
Total	676,110
Source of funds	
Special funds	12,000
Federal funds	<u>664,110</u>
Total	676,110

 Sec. B.304 Human services board

Personal services	739,966
Operating expenses	88,723
Total	828,689
Source of funds	
General fund	474,851
Federal funds	<u>353,838</u>
Total	828,689

Sec. B.305 AHS - administrative fund

Personal services	330,000
Operating expenses	10,170,000
Total	10,500,000
Source of funds	
Interdepartmental transfers	<u>10,500,000</u>
Total	10,500,000

Sec. B.306 Department of Vermont health access - administration

Personal services	130,163,425
Operating expenses	26,394,423
Grants	3,192,301
Total	159,750,149
Source of funds	
General fund	32,776,219
Special funds	3,363,758
Federal funds	114,469,002
Global Commitment fund	4,314,039
Interdepartmental transfers	<u>4,827,131</u>
Total	159,750,149

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983
Grants	757,772,233
Total	758,320,216
Source of funds	
Global Commitment fund	<u>758,320,216</u>
Total	758,320,216

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	42,367,754
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Total	42,367,754
Source of funds	
General fund	42,315,703
Global Commitment fund	<u>52,051</u>
Total	42,367,754
Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched	
Grants	32,842,006
Total	32,842,006
Source of funds	
General fund	12,664,602
Federal funds	<u>20,177,404</u>
Total	32,842,006
Sec. B.311 Health - administration and support	
Personal services	5,753,602
Operating expenses	6,567,686
Grants	6,313,608
Total	18,634,896
Source of funds	
General fund	2,982,217
Special funds	2,061,857
Federal funds	7,777,658
Global Commitment fund	5,748,858
Interdepartmental transfers	<u>64,306</u>
Total	18,634,896
Sec. B.312 Health - public health	
Personal services	48,721,754
Operating expenses	10,018,085
Grants	38,742,061
Total	97,481,900
Source of funds	
General fund	11,154,334
Special funds	18,897,491
Tobacco fund	1,088,918
Federal funds	49,379,385
Global Commitment fund	15,938,349
Interdepartmental transfers	998,423
Permanent trust funds	<u>25,000</u>
Total	97,481,900

 Sec. B.313 Health - alcohol and drug abuse programs

Personal services	5,167,831
Operating expenses	511,500
Grants	48,713,374
Total	54,392,705
Source of funds	
General fund	1,238,534
Special funds	1,354,762
Tobacco fund	949,917
Federal funds	18,651,302
Global Commitment fund	32,198,190
Total	54,392,705

Sec. B.314 Mental health - mental health

Personal services	32,985,332
Operating expenses	4,700,264
Grants	246,498,959
Total	284,184,555
Source of funds	
General fund	10,281,092
Special funds	1,685,284
Federal funds	9,398,134
Global Commitment fund	262,745,408
Interdepartmental transfers	74,637
Total	284,184,555

Sec. B.316 Department for children and families - administration & support services

Personal services	38,362,798
Operating expenses	17,035,520
Grants	3,819,106
Total	59,217,424
Source of funds	
General fund	33,091,620
Special funds	2,711,682
Federal funds	21,062,298
Global Commitment fund	2,000,936
Interdepartmental transfers	350,888
Total	59,217,424

Sec. B.317 Department for children and families - family services

Personal services	39,332,995
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Operating expenses	4,997,338
Grants	81,171,012
Total	125,501,345
Source of funds	
General fund	49,047,462
Special funds	729,587
Federal funds	31,365,138
Global Commitment fund	44,344,158
Interdepartmental transfers	<u>15,000</u>
Total	125,501,345
Sec. B.318 Department for children and families - child development	
Personal services	5,020,429
Operating expenses	848,079
Grants	100,111,841
Total	105,980,349
Source of funds	
General fund	27,348,614
Special funds	16,820,000
Federal funds	50,874,814
Global Commitment fund	10,914,421
Interdepartmental transfers	<u>22,500</u>
Total	105,980,349
Sec. B.319 Department for children and families - office of child support	
Personal services	11,099,902
Operating expenses	3,630,055
Total	14,729,957
Source of funds	
General fund	4,368,322
Special funds	455,719
Federal funds	9,518,316
Interdepartmental transfers	<u>387,600</u>
Total	14,729,957
Sec. B.320 Department for children and families - aid to aged, blind and disabled	
Personal services	2,252,206
Grants	10,298,023
Total	12,550,229
Source of funds	
General fund	8,649,899

Global Commitment fund	<u>3,900,330</u>
Total	12,550,229
Sec. B.321 Department for children and families - general assistance	
Personal services	15,000
Grants	2,823,574
Total	2,838,574
Source of funds	
General fund	2,441,239
Federal funds	111,320
Global Commitment fund	<u>286,015</u>
Total	2,838,574
Sec. B.322 Department for children and families - 3SquaresVT	
Grants	29,827,906
Total	29,827,906
Source of funds	
Federal funds	<u>29,827,906</u>
Total	29,827,906
Sec. B.323 Department for children and families - reach up	
Operating expenses	29,119
Grants	31,842,843
Total	31,871,962
Source of funds	
General fund	19,904,694
Special funds	5,854,320
Federal funds	3,431,330
Global Commitment fund	<u>2,681,618</u>
Total	31,871,962
Sec. B.324 Department for children and families - home heating fuel assistance/LIHEAP	
Grants	16,019,953
Total	16,019,953
Source of funds	
Special funds	1,480,395
Federal funds	<u>14,539,558</u>
Total	16,019,953
Sec. B.325 Department for children and families - office of economic opportunity	
Personal services	636,177

Operating expenses	43,488
Grants	19,383,262
Total	20,062,927
Source of funds	
General fund	14,225,798
Special funds	57,990
Federal funds	4,423,154
Global Commitment fund	<u>1,355,985</u>
Total	20,062,927
Sec. B.326 Department for children and families - OEO - weatherization assistance	
Personal services	352,504
Operating expenses	44,297
Grants	12,038,018
Total	12,434,819
Source of funds	
Special funds	7,617,551
Federal funds	<u>4,817,268</u>
Total	12,434,819
Sec. B.327 Department for Children and Families - Secure Residential Treatment	
Personal services	258,100
Operating expenses	650,463
Grants	3,476,862
Total	4,385,425
Source of funds	
General fund	4,355,425
Global Commitment fund	<u>30,000</u>
Total	4,385,425
Sec. B.328 Department for children and families - disability determination services	
Personal services	7,139,139
Operating expenses	460,858
Total	7,599,997
Source of funds	
General fund	111,120
Federal funds	<u>7,488,877</u>
Total	7,599,997

 Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	33,906,585
Operating expenses	5,953,426
Total	39,860,011
Source of funds	
General fund	17,731,954
Special funds	1,390,457
Federal funds	19,671,316
Interdepartmental transfers	<u>1,066,284</u>
Total	39,860,011

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	19,352,893
Total	19,352,893
Source of funds	
General fund	7,644,654
Federal funds	7,148,466
Global Commitment fund	<u>4,559,773</u>
Total	19,352,893

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	1,661,457
Total	1,661,457
Source of funds	
General fund	389,154
Special funds	223,450
Federal funds	743,853
Global Commitment fund	<u>305,000</u>
Total	1,661,457

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	7,024,368
Total	7,024,368
Source of funds	
General fund	1,371,845
Federal funds	4,402,523
Interdepartmental transfers	<u>1,250,000</u>
Total	7,024,368

 Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	253,129,050
Total	253,129,050
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	359,857
Global Commitment fund	252,548,605
Interdepartmental transfers	<u>50,000</u>
Total	253,129,050

Sec. B.334 Disabilities, aging, and independent living - Brain injury home and community based waiver

Grants	5,564,689
Total	5,564,689
Source of funds	
Global Commitment fund	<u>5,564,689</u>
Total	5,564,689

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	230,505,916
Total	230,505,916
Source of funds	
General fund	498,579
Federal funds	2,083,333
Global Commitment fund	<u>227,924,004</u>
Total	230,505,916

Sec. B.335 Corrections - administration

Personal services	3,075,938
Operating expenses	238,644
Total	3,314,582
Source of funds	
General fund	<u>3,314,582</u>
Total	3,314,582

Sec. B.336 Corrections - parole board

Personal services	361,649
Operating expenses	59,216
Total	420,865
Source of funds	

General fund	<u>420,865</u>
Total	420,865
Sec. B.337 Corrections - correctional education	
Personal services	3,240,204
Operating expenses	244,932
Total	3,485,136
Source of funds	
General fund	3,336,352
Interdepartmental transfers	<u>148,784</u>
Total	3,485,136
Sec. B.338 Corrections - correctional services	
Personal services	119,627,239
Operating expenses	23,264,616
Grants	9,308,427
Total	152,200,282
Source of funds	
General fund	130,083,685
Special funds	935,963
Federal Coronavirus Relief Fund	15,000,000
Federal funds	473,523
Global Commitment fund	5,310,796
Interdepartmental transfers	<u>396,315</u>
Total	152,200,282
Sec. B.339 Corrections - Correctional services-out of state beds	
Personal services	5,640,604
Total	5,640,604
Source of funds	
General fund	<u>5,640,604</u>
Total	5,640,604
Sec. B.340 Corrections - correctional facilities - recreation	
Personal services	514,774
Operating expenses	455,845
Total	970,619
Source of funds	
Special funds	<u>970,619</u>
Total	970,619
Sec. B.341 Corrections - Vermont offender work program	
Personal services	1,426,198

Operating expenses	525,784
Total	1,951,982
Source of funds	
Internal service funds	<u>1,951,982</u>
Total	1,951,982
Sec. B.342 Vermont veterans' home - care and support services	
Personal services	19,020,560
Operating expenses	5,426,960
Total	24,447,520
Source of funds	
General fund	2,843,321
Special funds	11,868,942
Federal funds	<u>9,735,257</u>
Total	24,447,520
Sec. B.343 Commission on women	
Personal services	334,422
Operating expenses	71,369
Total	405,791
Source of funds	
General fund	402,018
Special funds	<u>3,773</u>
Total	405,791
Sec. B.344 Retired senior volunteer program	
Grants	146,564
Total	146,564
Source of funds	
General fund	<u>146,564</u>
Total	146,564
Sec. B.345 Green Mountain Care Board	
Personal services	7,351,808
Operating expenses	385,835
Total	7,737,643
Source of funds	
General fund	3,094,435
Special funds	<u>4,643,208</u>
Total	7,737,643

 Sec. B.346 Total human services

Source of funds	
General fund	1,022,527,917
Special funds	116,659,874
Tobacco fund	23,088,208
State health care resources fund	17,078,501
Federal Coronavirus Relief Fund	15,000,000
Federal funds	1,497,837,906
Global Commitment fund	1,641,496,441
Internal service funds	1,951,982
Interdepartmental transfers	25,329,631
Permanent trust funds	<u>25,000</u>
Total	4,360,995,460

Sec. B.400 Labor - programs

Personal services	31,359,103
Operating expenses	7,701,210
Grants	1,822,409
Total	40,882,722
Source of funds	
General fund	5,394,154
Special funds	6,422,539
Federal funds	28,658,417
Interdepartmental transfers	<u>407,612</u>
Total	40,882,722

Sec. B.401 Total labor

Source of funds	
General fund	5,394,154
Special funds	6,422,539
Federal funds	28,658,417
Interdepartmental transfers	<u>407,612</u>
Total	40,882,722

Sec. B.500 Education - finance and administration

Personal services	13,479,879
Operating expenses	3,987,842
Grants	16,770,700
Total	34,238,421
Source of funds	
General fund	5,446,749
Special funds	18,343,202

Education fund	3,389,605
Federal funds	6,201,700
Global Commitment fund	260,000
Interdepartmental transfers	<u>597,165</u>
Total	34,238,421
Sec. B.501 Education - education services	
Personal services	14,739,327
Operating expenses	1,073,385
Grants	182,915,554
Total	198,728,266
Source of funds	
General fund	4,580,935
Special funds	2,863,170
Tobacco fund	750,388
Federal funds	<u>190,533,773</u>
Total	198,728,266
Sec. B.502 Education - special education: formula grants	
Grants	229,000,000
Total	229,000,000
Source of funds	
Education fund	<u>229,000,000</u>
Total	229,000,000
Sec. B.503 Education - state-placed students	
Grants	17,000,000
Total	17,000,000
Source of funds	
Education fund	<u>17,000,000</u>
Total	17,000,000
Sec. B.504 Education - adult education and literacy	
Grants	4,262,900
Total	4,262,900
Source of funds	
General fund	3,496,850
Federal funds	<u>766,050</u>
Total	4,262,900
Sec. B.504.1 Education - Flexible Pathways	
Grants	9,143,000
Total	9,143,000

Source of funds	
General fund	921,500
Education fund	<u>8,221,500</u>
Total	9,143,000
Sec. B.505 Education - adjusted education payment	
Grants	1,502,051,000
Total	1,502,051,000
Source of funds	
Education fund	<u>1,502,051,000</u>
Total	1,502,051,000
Sec. B.506 Education - transportation	
Grants	20,476,000
Total	20,476,000
Source of funds	
Education fund	<u>20,476,000</u>
Total	20,476,000
Sec. B.507 Education - small school grants	
Grants	8,100,000
Total	8,100,000
Source of funds	
Education fund	<u>8,100,000</u>
Total	8,100,000
Sec. B.510 Education - essential early education grant	
Grants	7,050,104
Total	7,050,104
Source of funds	
Education fund	<u>7,050,104</u>
Total	7,050,104
Sec. B.511 Education - technical education	
Grants	15,514,300
Total	15,514,300
Source of funds	
Education fund	<u>15,514,300</u>
Total	15,514,300
Sec. B.511.1 State Board of Education	
Personal services	38,905
Operating expenses	31,803

Total	70,708
Source of funds	
General fund	<u>70,708</u>
Total	70,708
Sec. B.514 State teachers' retirement system	
Grants	189,646,629
Total	189,646,629
Source of funds	
General fund	152,045,711
Education fund	<u>37,600,918</u>
Total	189,646,629
Sec. B.514.1 State teachers' retirement system administration	
Personal services	3,421,938
Operating expenses	1,687,769
Total	5,109,707
Source of funds	
Pension trust funds	<u>5,109,707</u>
Total	5,109,707
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	35,093,844
Total	35,093,844
Source of funds	
General fund	<u>35,093,844</u>
Total	35,093,844
Sec. B.516 Total general education	
Source of funds	
General fund	201,656,297
Special funds	21,206,372
Tobacco fund	750,388
Education fund	1,848,403,427
Federal funds	197,501,523
Global Commitment fund	260,000
Interdepartmental transfers	597,165
Pension trust funds	<u>5,109,707</u>
Total	2,275,484,879
Sec. B.600 University of Vermont	
Grants	42,509,093
Total	42,509,093

Source of funds	
General fund	<u>42,509,093</u>
Total	42,509,093
Sec. B.602 Vermont state colleges	
Grants	30,500,464
Total	30,500,464
Source of funds	
General fund	<u>30,500,464</u>
Total	30,500,464
Sec. B.602.2 Vermont state colleges - Transformation funding	
Grants	5,000,000
Total	5,000,000
Source of funds	
General fund	<u>5,000,000</u>
Total	5,000,000
Sec. B.603 Vermont state colleges - allied health	
Grants	1,157,775
Total	1,157,775
Source of funds	
General fund	748,314
Global Commitment fund	<u>409,461</u>
Total	1,157,775
Sec. B.605 Vermont student assistance corporation	
Grants	22,251,315
Total	22,251,315
Source of funds	
General fund	19,978,588
Interdepartmental transfers	<u>2,272,727</u>
Total	22,251,315
Sec. B.605.1 VSAC - Flexible Pathways Stipend	
Grants	82,450
Total	82,450
Source of funds	
General fund	41,225
Education fund	<u>41,225</u>
Total	82,450

Sec. B.606 New England higher education compact

Grants	84,000
Total	84,000
Source of funds	
General fund	<u>84,000</u>
Total	84,000

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	1
Total	1
Source of funds	
General fund	<u>1</u>
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	98,861,685
Education fund	41,225
Global Commitment fund	409,461
Interdepartmental transfers	<u>2,272,727</u>
Total	101,585,098

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	4,035,622
Operating expenses	1,189,608
Total	5,225,230
Source of funds	
General fund	3,358,569
Special funds	590,134
Interdepartmental transfers	<u>1,276,527</u>
Total	5,225,230

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	2,623,193
Total	2,623,193
Source of funds	
General fund	2,196,040
Interdepartmental transfers	<u>427,153</u>
Total	2,623,193

 Sec. B.702 Fish and wildlife - support and field services

Personal services	18,654,752
Operating expenses	6,717,480
Grants	670,446
Total	26,042,678
Source of funds	
General fund	6,403,816
Special funds	239,657
Fish and wildlife fund	9,561,364
Federal funds	8,504,410
Interdepartmental transfers	1,322,431
Permanent trust funds	<u>11,000</u>
Total	26,042,678

Sec. B.703 Forests, parks and recreation - administration

Personal services	827,425
Operating expenses	1,309,059
Total	2,136,484
Source of funds	
General fund	<u>2,136,484</u>
Total	2,136,484

Sec. B.704 Forests, parks and recreation - forestry

Personal services	6,525,761
Operating expenses	785,127
Grants	1,417,718
Total	8,728,606
Source of funds	
General fund	4,976,669
Special funds	1,038,423
Federal funds	2,456,651
Interdepartmental transfers	<u>256,863</u>
Total	8,728,606

Sec. B.705 Forests, parks and recreation - state parks

Personal services	10,025,540
Operating expenses	2,741,662
Grants	70,000
Total	12,837,202
Source of funds	
General fund	1,063,266

Special funds	<u>11,773,936</u>
Total	12,837,202
Sec. B.706 Forests, parks and recreation - lands administration and recreation	
Personal services	2,145,871
Operating expenses	1,355,338
Grants	2,827,587
Total	6,328,796
Source of funds	
General fund	916,929
Special funds	2,206,789
Federal funds	3,082,578
Interdepartmental transfers	<u>122,500</u>
Total	6,328,796
Sec. B.708 Forests, parks and recreation - forest and parks access roads	
Personal services	110,000
Operating expenses	69,925
Total	179,925
Source of funds	
General fund	<u>179,925</u>
Total	179,925
Sec. B.709 Environmental conservation - management and support services	
Personal services	6,421,694
Operating expenses	3,951,865
Grants	145,000
Total	10,518,559
Source of funds	
General fund	1,749,088
Special funds	350,323
Federal funds	1,112,314
Interdepartmental transfers	<u>7,306,834</u>
Total	10,518,559
Sec. B.710 Environmental conservation - air and waste management	
Personal services	25,302,612
Operating expenses	10,449,327
Grants	5,223,462
Total	40,975,401
Source of funds	
General fund	154,530
Special funds	36,839,568

FRIDAY, MAY 21, 2021

1279

Federal funds	3,822,700
Interdepartmental transfers	<u>158,603</u>
Total	40,975,401
Sec. B.711 Environmental conservation - office of water programs	
Personal services	28,652,311
Operating expenses	6,722,953
Grants	31,819,350
Total	67,194,614
Source of funds	
General fund	7,926,170
Special funds	22,601,929
Federal funds	36,003,082
Interdepartmental transfers	<u>663,433</u>
Total	67,194,614
Sec. B.713 Natural resources board	
Personal services	2,597,208
Operating expenses	545,630
Total	3,142,838
Source of funds	
General fund	631,629
Special funds	<u>2,511,209</u>
Total	3,142,838
Sec. B.714 Total natural resources	
Source of funds	
General fund	31,693,115
Special funds	78,151,968
Fish and wildlife fund	9,561,364
Federal funds	54,981,735
Interdepartmental transfers	11,534,344
Permanent trust funds	<u>11,000</u>
Total	185,933,526
Sec. B.800 Commerce and community development - agency of commerce and community development - administration	
Personal services	1,970,330
Operating expenses	991,006
Grants	579,820
Total	3,541,156
Source of funds	
General fund	3,150,156

Federal funds	<u>391,000</u>
Total	3,541,156
Sec. B.801 Economic development	
Personal services	3,680,070
Operating expenses	1,042,941
Grants	7,458,839
Total	12,181,850
Source of funds	
General fund	4,898,915
Special funds	1,685,350
Federal funds	3,907,085
Interdepartmental transfers	<u>1,690,500</u>
Total	12,181,850
Sec. B.802 Housing and community development	
Personal services	4,067,492
Operating expenses	631,346
Grants	24,757,290
Total	29,456,128
Source of funds	
General fund	3,884,934
Special funds	4,890,245
Federal funds	18,277,129
Interdepartmental transfers	<u>2,403,820</u>
Total	29,456,128
Sec. B.806 Tourism and marketing	
Personal services	1,875,235
Operating expenses	1,553,194
Grants	76,880
Total	3,505,309
Source of funds	
General fund	3,485,309
Interdepartmental transfers	<u>20,000</u>
Total	3,505,309
Sec. B.808 Vermont council on the arts	
Grants	722,859
Total	722,859
Source of funds	
General fund	<u>722,859</u>
Total	722,859

Sec. B.809 Vermont symphony orchestra	
Grants	136,978
Total	136,978
Source of funds	
General fund	<u>136,978</u>
Total	136,978
Sec. B.810 Vermont historical society	
Grants	982,317
Total	982,317
Source of funds	
General fund	<u>982,317</u>
Total	982,317
Sec. B.811 Vermont housing and conservation board	
Grants	30,806,887
Total	30,806,887
Source of funds	
Special funds	11,370,550
Federal funds	<u>19,436,337</u>
Total	30,806,887
Sec. B.812 Vermont humanities council	
Grants	227,989
Total	227,989
Source of funds	
General fund	<u>227,989</u>
Total	227,989
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	17,489,457
Special funds	17,946,145
Federal funds	42,011,551
Interdepartmental transfers	<u>4,114,320</u>
Total	81,561,473
Sec. B.900 Transportation - finance and administration	
Personal services	13,654,880
Operating expenses	2,507,103
Grants	50,000
Total	16,211,983

Source of funds	
Transportation fund	15,815,083
Federal funds	<u>396,900</u>
Total	16,211,983
Sec. B.901 Transportation - aviation	
Personal services	3,734,269
Operating expenses	6,007,377
Grants	710,000
Total	10,451,646
Source of funds	
Transportation fund	5,556,388
Federal funds	<u>4,895,258</u>
Total	10,451,646
Sec. B.902 Transportation - buildings	
Operating expenses	850,000
Total	850,000
Source of funds	
Transportation fund	<u>850,000</u>
Total	850,000
Sec. B.903 Transportation - program development	
Personal services	58,611,534
Operating expenses	227,109,245
Grants	28,813,660
Total	314,534,439
Source of funds	
Transportation fund	48,717,849
TIB fund	10,597,637
Federal funds	254,737,875
Local match	<u>481,078</u>
Total	314,534,439
Sec. B.904 Transportation - rest areas construction	
Personal services	195,000
Operating expenses	1,265,000
Total	1,460,000
Source of funds	
Transportation fund	146,000
Federal funds	<u>1,314,000</u>
Total	1,460,000

Sec. B.905 Transportation - maintenance state system	
Personal services	45,339,790
Operating expenses	57,902,709
Grants	277,000
Total	103,519,499
Source of funds	
Transportation fund	87,191,712
Federal funds	16,227,787
Interdepartmental transfers	<u>100,000</u>
Total	103,519,499
Sec. B.906 Transportation - policy and planning	
Personal services	4,772,462
Operating expenses	951,911
Grants	5,734,525
Total	11,458,898
Source of funds	
Transportation fund	3,153,630
Federal funds	8,285,268
Interdepartmental transfers	<u>20,000</u>
Total	11,458,898
Sec. B.907 Transportation - rail	
Personal services	5,366,807
Operating expenses	30,983,212
Grants	30,000
Total	36,380,019
Source of funds	
Transportation fund	13,897,283
Federal funds	19,232,299
Interdepartmental transfers	2,429,636
Local match	<u>820,801</u>
Total	36,380,019
Sec. B.908 Transportation - public transit	
Personal services	2,264,103
Operating expenses	112,991
Grants	40,444,428
Total	42,821,522
Source of funds	
Transportation fund	3,303,839
Federal funds	39,496,667

Interdepartmental transfers	<u>21,016</u>
Total	42,821,522
Sec. B.909 Transportation - central garage	
Personal services	4,728,892
Operating expenses	17,473,828
Total	22,202,720
Source of funds	
Internal service funds	<u>22,202,720</u>
Total	22,202,720
Sec. B.910 Department of motor vehicles	
Personal services	25,010,265
Operating expenses	10,963,723
Total	35,973,988
Source of funds	
Transportation fund	34,190,338
Federal funds	1,666,250
Interdepartmental transfers	<u>117,400</u>
Total	35,973,988
Sec. B.911 Transportation - town highway structures	
Grants	12,667,000
Total	12,667,000
Source of funds	
Transportation fund	<u>12,667,000</u>
Total	12,667,000
Sec. B.912 Transportation - town highway local technical assistance program	
Personal services	368,939
Operating expenses	42,750
Total	411,689
Source of funds	
Transportation fund	111,689
Federal funds	<u>300,000</u>
Total	411,689
Sec. B.913 Transportation - town highway class 2 roadway	
Grants	15,297,500
Total	15,297,500
Source of funds	
Transportation fund	<u>15,297,500</u>
Total	15,297,500

 Sec. B.914 Transportation - town highway bridges

Personal services	4,475,077
Operating expenses	10,533,896
Grants	399,421
Total	15,408,394
Source of funds	
Transportation fund	1,671,227
TIB fund	800,000
Federal funds	12,405,730
Local match	<u>531,437</u>
Total	15,408,394

Sec. B.915 Transportation - town highway aid program

Grants	27,105,769
Total	27,105,769
Source of funds	
Transportation fund	<u>27,105,769</u>
Total	27,105,769

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	128,750
Total	128,750
Source of funds	
Transportation fund	<u>128,750</u>
Total	128,750

Sec. B.917 Transportation - town highway: state aid for nonfederal disasters

Grants	1,150,000
Total	1,150,000
Source of funds	
Transportation fund	<u>1,150,000</u>
Total	1,150,000

Sec. B.918 Transportation - town highway: state aid for federal disasters

Grants	180,000
Total	180,000
Source of funds	
Transportation fund	20,000
Federal funds	<u>160,000</u>
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Operating expenses	265,000
Grants	5,845,000
Total	6,110,000
Source of funds	
Transportation fund	705,000
Special funds	3,977,000
Federal funds	<u>1,428,000</u>
Total	6,110,000

Sec. B.920 Transportation - public assistance grant program

Operating expenses	200,000
Grants	1,050,000
Total	1,250,000
Source of funds	
Special funds	50,000
Federal funds	1,000,000
Interdepartmental transfers	<u>200,000</u>
Total	1,250,000

Sec. B.921 Transportation board

Personal services	157,878
Operating expenses	28,733
Total	186,611
Source of funds	
Transportation fund	<u>186,611</u>
Total	186,611

Sec. B.922 Total transportation

Source of funds	
Transportation fund	271,865,668
TIB fund	11,397,637
Special funds	4,027,000
Federal funds	361,546,034
Internal service funds	22,202,720
Interdepartmental transfers	2,888,052
Local match	<u>1,833,316</u>
Total	675,760,427

Sec. B.1000 Debt service

Operating expenses	75,981,338
Total	75,981,338

Source of funds	
General fund	72,953,869
Transportation fund	521,606
ARRA funds	0
TIB debt service fund	<u>2,505,863</u>
Total	75,981,338

Sec. B.1001 Total debt service

Source of funds	
General fund	72,953,869
Transportation fund	521,606
ARRA funds	0
TIB debt service fund	<u>2,505,863</u>
Total	75,981,338

Sec. B.1100 [Deleted.]

Sec. B.1101 [Deleted.]

Sec. B.1102 [Deleted.]

Sec. B.1103 FISCAL YEAR 2022 ONE-TIME DOWNTOWN
TRANSPORTATION AND RELATED CAPITAL
IMPROVEMENT FUND APPROPRIATIONS

(a)(1) In fiscal year 2022, the sum of \$3,500,000 is appropriated from the Downtown Transportation and Related Capital Improvement Fund established by 24 V.S.A. § 2796 to the Department of Housing and Community Development to design, engineer, and construct eligible projects.

(2) Notwithstanding any other provisions of law, and for the purposes of implementing this one-time funding, the Department of Housing and Community Development is authorized to extend eligibility for the funding allocated in this section to municipalities as follows:

(A) Village centers designated by the Downtown Development Board pursuant to 24 V.S.A. chapter 76a, that have participated in the Better Connections Program administered by the Vermont Agency of Transportation and the Department of Housing and Community Development.

(B) Village centers designated by the Downtown Development Board pursuant to 24 V.S.A. chapter 76a, within Chittenden County that have completed a comprehensive urban/community area planning process with public input, analogous to the Better Connections Program, in accordance with the program guidelines to be established by the Department.

(3) Municipalities in this section may include engineering and design costs in their budget proposals.

(b) This section shall remain in effect until such time as the funds appropriated in this section and in Sec. G.300(b)(8) of this act are fully expended.

Sec. B.1104 FISCAL YEAR 2022 ONE-TIME TRANSPORTATION
FUND APPROPRIATIONS

(a) Funds are appropriated from the Transportation Fund as follows:

(1) To the Agency of Transportation:

(A) \$6,925,000 for vehicle incentive and emission repair programs and electric vehicle supply equipment grants in fiscal year 2022;

(B) \$3,000,000 to be distributed to municipalities through town highway aid in fiscal year 2022 in the same apportionments and for the same purposes prescribed under 19 V.S.A. § 306(a)(3), which shall not be included in any subsequent calculations for the annual appropriation for aid to town highways pursuant to 19 V.S.A. § 306(a); and

(C) \$400,000 to assist with the relocation of the New Haven Train Depot, as need is determined by the Agency of Transportation, in fiscal year 2022.

Sec. B.1105 [Deleted.]

Sec. B.1106 FISCAL YEAR 2022 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) In fiscal year 2022, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

(1) \$38,430,000 to the Agency of Administration for the following:

(A) \$11,580,000 for distribution to departments to fund the fiscal year 2022 53rd week of Medicaid.

(B) \$12,450,000 for distribution to departments to fund the fiscal year 2022 27th payroll pay period.

(C) \$14,400,000 for distribution to departments to fund the annual increase in the Vermont State Employee Retirement System (VSERS) Actuarially Determined Employer Contribution (ADEC).

(2) \$1,000,000 to the Department of Corrections for the purchase of body cameras.

(3) \$500,000 to the Vermont Department of Health to support polychlorinated biphenyls (PCB) testing in schools.

(4) \$32,500 to the Green Mountain Care Board for its share of the costs associated with rate reviews for the unmerged individual and small group market plans.

(5) \$63,121 to the Council on the Arts for matching federal funds available in the American Rescue Plan Act of 2021.

(6) \$200,000 to the Legislature to fund independent benefits experts, legal consulting, and actuarial assistance as necessary for the Pension Benefits, Design, and Funding Task Force.

(7) \$200,000 to the Department for Children and Families for the purpose of enabling Building Bright Futures to contract with an independent consulting entity for a childcare and early childhood education systems analysis study required by legislation enacted during the 2021 session.

(8) \$125,000 to the Joint Fiscal Office to contract with a consultant to assist the Task Force on Affordable, Accessible Health Care established in Sec. E.126b of this act.

(9) \$25,000 to the Vermont Symphony Orchestra to offset revenues lost during the pandemic.

(10) \$180,000 to the Agency of Administration Office of Racial Equity for activities related to health disparities and health equity.

(11) \$200,000 to the Department of Human Resources for racial equity training support.

(12) \$126,000 to the Agency of Human Services Secretary's Office to maintain the 211-call center.

(13) \$120,000 to the Department of Health for grants of \$40,000 to be made to each of the three AIDS service organizations to replace grant revenue diverted during the pandemic.

(14) \$25,000 to the Department for Children and Families for a grant to the Vermont Donor Milk Center for statewide activities.

(15) \$40,000 to the Vermont Center for Crime Victim Services to provide a grant for the Vermont Forensic Nursing Program. The funds shall be used to recruit, train, and credential nurses to provide forensic medical care for sexual assault patients within primary care, reproductive health, or campus health care settings in order to expand medical care for sexual assault patients beyond hospital emergency departments.

(16) \$300,000 to the Department of Health to make grants of \$25,000 to cover the financial impacts of the ongoing COVID-19 pandemic at each of the recovery centers statewide.

(17) \$3,700,000 to the Department for Children and Families for one-time grants to parent child centers for capital and program improvements.

(18) \$1,000,000 to the Department for Children and Families for a grant to the Vermont Foodbank to purchase food.

(19) \$500,000 to the Agency of Education to make grants to local education agencies for the purchase of locally produced foods.

(20) \$1,400,000 to the Vermont Center for Crime Victim Services, of which:

(A) \$200,000 shall be used for grants to the Vermont Network Against Domestic and Sexual Violence for pandemic recovery response; and

(B) \$1,200,000 shall be used in a manner consistent with the Victims Compensation Fund (21145).

* * * Fiscal Year 2021 Adjustments, Appropriations and Amendments * * *

Sec. C.100 FISCAL YEAR 2021 ONE-TIME GENERAL FUND
APPROPRIATIONS

(a) In fiscal year 2021, funds are appropriated from the General Fund as follows:

(1) To the Agency of Human Services, Global Commitment Program: \$2,000,000 for the State match for the 2020 Acts and Resolves No. 155 Nurse Scholarship Program and University of Vermont College of Medicine, Medical Student Incentive Scholarship Program, as amended in Sec. E. 311.3 of this act. Of these general funds, \$1,000,000 is for expenditure in fiscal year 2022, and \$1,000,000 is for expenditure in fiscal year 2023.

(2) To the Commission on Women: \$8,500 for information technology support.

(3) To the Agency of Commerce and Community Development: \$25,000 for the administration of the Vermont 250th anniversary celebration.

(4) To the Vermont Housing and Conservation Board: \$50,000 for the Farm and Forest Viability Program to provide business and technical assistance to farm, food, and forest businesses, including applying for and complying with State and federal economic recovery grants.

(5) To the Department of Forests, Parks and Recreation: \$1,850,000 to be granted to the Vermont Youth Conservation Corps to establish the Vermont

Serve, Learn, and Earn Program with other community partners to create meaningful paid service and learning opportunities for young adults beginning in the summer and fall of 2021. These funds shall carry forward into fiscal year 2022.

(6) To the Vermont Center for Crime Victims Services: \$345,000 to be granted to the Vermont Network Against Domestic and Sexual Violence for program deficit.

(7) To the Agency of Administration: \$500,000 to address the needs of the FiberConnect libraries project.

8) To the Auditor of Accounts: \$100,000 to contract for an evaluation of the State's unemployment insurance system as specified in legislation enacted in the 2021 session.

(9) To the Judiciary: \$800,000 to plan and design upgrades to county court house HVAC systems. In accordance with the fiscal year 2022 capital budget act, on or before December 15, 2021 the Court Administrator shall submit a list of priority projects for the use of federal funds from the Coronavirus Capital Projects Fund.

Sec. C.101 PENSION AND OTHER POST EMPLOYMENT BENEFIT OBLIGATIONS; LONG-TERM PLAN

(a) In fiscal year 2021, the amount of \$150,000,000 in General Fund monies and \$14,000,000 in Education Fund monies are hereby reserved in their respective funds to be part of pension funding initiatives and prefunding of other postemployment benefits (OPEB).

(b) On or before June 30, 2022, the General Assembly and the Administration, in collaboration with the Treasurer and interested parties, shall develop a long-term plan to address pension and OPEB liabilities. The funds reserved in subsection (a) of this section shall be made available for appropriation to accompany the reforms that are part of this long-term legislative initiative to make Vermont pension and OPEB plans more sustainable.

C.101.1 AGENCY OF HUMAN SERVICES; ALL PAYER ACCOUNTABLE CARE ORGANIZATION MODEL; DELIVERY SYSTEM REFORM; HEALTH INFORMATION TECHNOLOGY

(a) The Agency of Human Services is authorized to carry forward to fiscal year 2022 the sum of \$1,588,840 in general funds in their Global Commitment appropriation to be matched by \$2,895,382 in the Department of Vermont Health Access's (DVHA) Global Commitment Fund and \$1,004,618 in DVHA

federal funds in fiscal year 2022 for the following purposes related to implementation of the All-Payer Accountable Care Organization (ACO) Model:

(1) health information technology projects, including:

(A) a hypertension and diabetes identification and management tool to support clinical decision making; and

(B) just-in-time clinical data reporting for quality improvement to support clinical decision making; and

(2) delivery system reform projects focused on implementation of the care model, including expanding trainings and performance improvement activities, and continuation of the Longitudinal Care Home Health Program and the Developmental Understanding and Legal Collaboration for Everyone (DULCE) Program.

Sec. C.102 FISCAL YEAR 2021 GLOBAL COMMITMENT PROGRAM
GENERAL FUND REVERSION

(a) In fiscal year 2021, the amount of \$42,516,329 shall be reverted to the General Fund from the general funds appropriated in Sec. B.301 of 2020 Acts and Resolves No. 154, as amended by 2021 Acts and Resolves No. 3.

(b) The Secretary of Human Services shall report to the Joint Fiscal Committee in July or September 2021 on the status and impact of the reversion required by subsection (a) of this section and any carryforward balance of unobligated General Fund appropriations from fiscal year 2021 to fiscal year 2022. To the extent possible, this report shall also provide updates related to the reversion specified in Sec. D.104 of this act for fiscal year 2022.

Sec. C.103 REVERSION FROM THE NATIONAL GUARD TUITION
BENEFIT PROGRAM

(a) In fiscal year 2021, the amount of \$400,000 shall revert to the General Fund from the Military Administration appropriation for the National Guard Tuition Benefit Program.

Sec. C.104 2020 Acts and Resolves No. 154, Sec. E.215 is amended to read:

Sec. E.215 Military – Administration

(a) The amount of ~~\$953,906~~\$553,906 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard educational assistance program established in 16 V.S.A. § 2856 and the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

(b) Subsection (a) of this section supersedes the disbursement referenced in 2020 Acts and Resolves No. 120, Sec. A.23.

Sec. C.105 2020 Acts and Resolves No. 154, Sec. B.505 is amended to read:

Sec. B.505 Education - adjusted education payment

	<u>FY 2021</u>	
	<u>As Passed</u>	<u>Change</u>
Grants	1,489,500,000	1,480,600,000
Total	1,489,500,000	1,480,600,000
Source of funds		
Education fund	1,489,500,000	1,480,600,000
Total	1,489,500,000	1,480,600,000

Sec. C.106 [Deleted.]

Sec. C.107 UTILITY RATEPAYER ARREARAGES; DEPARTMENT OF PUBLIC SERVICE

(a) The sum of \$15,000,000 from the Coronavirus Relief Fund is appropriated to the Department of Public Service in fiscal year 2021 for the purpose of establishing a program to simultaneously minimize financial hardship caused by the COVID-19 public health emergency and mitigate utility rate increases ultimately shared by all utility customers. As used in this section, “utility” means a company subject to the Public Utility Commission’s moratorium on utility disconnections related to COVID-19 or a public water supply or wastewater treatment facility permitted by the Agency of Natural Resources and subject to the Temporary Moratorium on Disconnections from Public Drinking Water and Wastewater Systems in 2020 Acts and Resolves No. 92, Sec. 9.

(b) The Commissioner of Public Service shall set the process, limitations, and means to distribute funds for debt relief for the accounts of utility customers not otherwise eligible or able to access utility assistance or those who, though eligible, are not made whole for such debt through the American Rescue Plan Act of 2021 or the Consolidated Appropriations Act, 2021, and shall coordinate funding under this section as needed with State agencies charged with distributing such funding. In designing the program, the Commissioner shall establish standards and procedures to prioritize the neediest utility customers for financial assistance under the program.

(c) In administering the program, the Commissioner may coordinate with the Public Utility Commission, enter into cooperative agreements with utilities to apply funding directly to customer accounts, and contract with any third-party administrator as needed. The Department’s administrative costs associated with the program shall be paid from the amount appropriated under

subsection (a) of this section.

(d) Customer information submitted pursuant to this program shall be exempt from disclosure under the Vermont Public Records Act; such data may be disclosed only on an anonymized and aggregated basis.

(e) To the extent consistent with guidance and law, any excess funding under the program not obligated for the purposes set forth in this section by November 1, 2021 shall be reallocated to energy and fuel assistance programs administered by the Department for Children and Families.

Sec. C.108 LEGISLATIVE PREPARATION FOR 2022 SESSION

(a) The sum of \$2,500,000 from the Coronavirus Relief Fund is appropriated to the Legislature for costs incurred due to the response to the COVID-19 pandemic and to fund preparations for the 2022 legislative session consistent with Joint Legislative Management Committee recommendations. Funds may be transferred to appropriate units within the General Assembly as necessary to reimburse eligible expenditures. Any transfers shall be reviewed and approved through traditional transfer approval processes by the Secretary of Administration and shall be reported by the Joint Fiscal Office to the Joint Legislative Management Committee and the Commissioner of Finance and Management.

Sec. C.109 2020 Acts and Resolves No. 136, Sec. 7, as amended by 2020 Acts and Resolves No. 154, Sec. B.1121 and 2021 Acts and Resolves No. 3, Sec. 50, is further amended to read:

Sec. 7. AGENCY OF HUMAN SERVICES; HEALTH CARE
PROVIDER STABILIZATION GRANT PROGRAM

* * *

(d) Specific allocations. Notwithstanding any provisions of this section to the contrary, of the funds appropriated in subsection (a) of this section, the Agency of Human Services shall make the following allocations for the following purposes:

* * *

(3) Up to \$3,000,000.00 for COVID-19-related expenses or revenue losses incurred by designated and specialized service agencies through ~~December 30, 2020~~ June 30, 2021.

* * *

Sec. C.110 REPEAL; FISCAL YEAR 2021 YEAR-END CLOSEOUT
TRANSFERS

(a) 2020 Acts and Resolves No. 154, Sec. B.1123.1 as amended by 2021 Acts and Resolves No. 9, Sec. 30 is repealed.

Sec. C.111 FISCAL YEAR 2021 YEAR-END CLOSEOUT;
CARRYFORWARD AND FUND SOURCE REPLACEMENT

(a) After satisfying the requirements of 32 V.S.A. § 308, and after other reserve requirements have been met, but prior to satisfying the requirements of 32 V.S.A. § 308c, the first \$100,000,000 of remaining unreserved and undesignated funds at the end of fiscal year 2021 shall remain in the General Fund and be carried forward to fiscal year 2022. In fiscal year 2022, the Commissioner of Finance and Management is authorized to replace American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds with these General Funds in the appropriations listed below:

(1) \$17,000,000 to replace the fund source in the appropriations in Sec. G.300(a)(3)-(6) of this act - (Judiciary, Defender General States Attorney, Department of Labor Apprenticeships).

(2) \$11,000,000 to replace the fund source in the appropriation in Sec. G.300 (a)(11) of this act- (Brownfields).

(3) \$8,820,000 to replace the fund source in the appropriations in Sec. G.300(a)(15)-(22) of this act- (selected economic development programs and appropriations).

(4) \$30,000,000 to partially replace the fund source in the appropriation in Sec. G.400 (a)(1) of this act – (VHCB Housing).

(5) \$23,180,000 to partially replace the fund source in the appropriations in Sec. G.501(a)(1)-(11) of this act - (State Technology Modernization Projects). Projects identified for fund source replacement shall be made in coordination and consultation with the Secretary of the Agency of Digital Services

(6) \$10,000,000 to replace the fund source in the appropriation in Sec. G.600(a)(6) of this act - (VHCB Conservation).

(b) Any remaining amounts shall be allocated in accordance with 32 V.S.A. § 308c.

Sec. C.112 [Deleted.]

Sec. C.113 VEHICLE INCENTIVE PROGRAMS IN FISCAL YEAR 2021

(a) Notwithstanding 2020 Acts and Resolves No. 121, Sec. 1; 19 V.S.A. § 10g(n); and 32 V.S.A. § 706, if prior appropriations for the Incentive Program for New PEVs or MileageSmart are fully depleted prior to July 1, 2021, then to ensure that the programs are not halted due to lack of available funding in fiscal year 2021, the Agency shall cover the fiscal year 2021 funding program gap with other available resources and use a portion of the \$6,925,000 appropriated in Sec. B.1104(a)(1)(A) of this act in fiscal year 2022 to offset any expenditures made under this subsection.

Sec. C.114 2020 Acts and Resolves No. 120, Sec. B.2 is amended to read:

Sec. B.2. FISCAL YEAR 2021 PAY ACT APPROPRIATIONS

(a) Executive Branch. In fiscal year 2021, the fiscal year 2021 provisions of the collective bargaining agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2020 through June 30, 2021; the collective bargaining agreement with the Vermont Troopers' Association, for the period of July 1, 2020 through June 30, 2021; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) General Fund. The amount of ~~\$11,553,795.00~~ \$4,053,795.00 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2021 compensation increases permitted by this act.

Sec. C.115 2021 Acts and Resolves No. 9 is amended to read:

* * *

* * * Human Services, Mental Health and Health Care * * *

Sec. 6. DEPARTMENT OF MENTAL HEALTH; EMERGENCY
OUTREACH SERVICES GRANTS

The sum of \$300,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 -- Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 for grants to peer-led and impacted member-led organizations for emergency outreach services to address COVID-19-related needs. Of these funds, the Department shall allocate \$150,000.00 to a mental health peer-support organization and \$150,000.00 to an organization supporting the needs of LGBTQ youths.

* * *

Sec. 8. DEPARTMENT OF MENTAL HEALTH; CASE MANAGEMENT SERVICES

The sum of \$850,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 to provide funds to the designated community mental health agencies to enable them each to hire an additional case manager to provide case management services to Vermont residents who may not previously have been part of an agency's caseload but whose lives have been significantly disrupted by the COVID-19 pandemic and who are now urgently in need of these agencies' supports. Agencies have the flexibility to identify where the targeted need exists within their agency, across all programs. The purpose of the funds appropriated in this section is limited to addressing the impacts related to the COVID-19 pandemic and the appropriation of these funds is not intended to create an ongoing funding commitment.

Sec. 9. DEPARTMENT OF MENTAL HEALTH; WORKFORCE TRAINING AND WELLNESS SUPPORTS

The sum of \$150,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Mental Health in fiscal year 2021 for training and wellness supports for frontline health care workers to help them meet Vermont residents' current mental health needs, such as training for emergency department personnel responding to an increased demand for crisis services as a result of the COVID-19 pandemic and training on trauma-informed and trauma-specific care for mental health professionals responding to the surge in mental health treatment needs. These workers would also benefit from wellness supports as they continue to care for people in crisis while experiencing their own stress, anxiety, and trauma as a result of the pandemic.

Sec. 9a. RECOVERY CENTER SUPPLEMENTAL GRANTS

The sum of \$240,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Health to make grants of \$20,000.00 to cover the financial impacts of the ongoing COVID-19 pandemic at each of the recovery centers statewide.

Sec. 10. SUPPORTS FOR NEW AMERICANS, REFUGEES, AND IMMIGRANTS

(a) The sum of \$700,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to

the Agency of Human Services in fiscal year 2021 for distribution in equal amounts to the Association of Africans Living in Vermont and the U.S. Committee for Refugees and Immigrants' Vermont Refugee Resettlement Program for various purposes related to COVID-19, including:

* * *

Sec. 11. GRANTS TO REACH UP PARTICIPANTS

The sum of \$1,300,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department for Children and Families in fiscal year 2021 for the purposes of distributing monies to families participating in the Reach Up program. These funds shall be distributed in a manner similar to the distribution of funds to this population pursuant to 2020 Acts and Resolves No. 136, Sec. 15.

Sec. 12. VERMONT FOOD BANK

(a) The sum of \$1,376,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund in fiscal year 2021 to the Agency of Human Services' Central Office to be granted to the Vermont Food Bank to pay the costs of the Vermont Farmers to Families Food Box Program for the months of January and February 2021.

(b) The sum of \$82,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund in fiscal year 2021 to the Agency of Human Services' Central Office to be granted to the Vermont Food Bank for statewide provision of diapers to families in need.

Sec. 13. GRANT TO THE ASSOCIATION FOR THE BLIND AND VISUALLY IMPAIRED

The sum of \$100,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Department of Disabilities, Aging, and Independent Living in fiscal year 2021 to be granted to the Vermont Association for the Blind and Visually Impaired for a technology training program for older Vermonters who experience decreased vision and blindness and others who are blind or visually impaired to address social isolation resulting from social distancing.

* * *

* * * Education * * *

* * *

Sec. 16. EDUCATION SERVICES; FEDERAL FUNDS APPROPRIATIONS

(a) Afterschool and Summer Programs: In fiscal year 2021 and to be carried forward, the sum of \$4,000,000.00 is appropriated from federal funds

for Elementary and Secondary School Emergency Relief (ESSR) (ESSER) provided in the ~~American Rescue Plan Act of 2021 Section 2001(f)~~ section 313 of the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Pub. L. No. 116-260 to the Agency of Education to be used for grants to afterschool and summer programs. At least \$2,000,000.00 of these grants shall be made with consultation from and approval of the Child Development Division in the Department for Children and Families. ~~These funds shall be used to fulfill requirements specified in the American Rescue Plan Act of 2021 pursuant to Section 2001(f)(2) and (3).~~

~~(b) Summer Meals: In fiscal year 2021 and to be carried forward, the sum of \$5,500,000.00 is appropriated from the American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund to the Agency of Education to ensure that children and families have access to nutritious foods throughout the summer. This appropriation may be adjusted if the Commissioner of Finance and Management determines that FEMA funds will be awarded for this purpose.~~

* * *

* * * Natural Resources and Agriculture * * *

Sec. 22. NATURAL RESOURCES AND AGRICULTURE

(a) In fiscal year 2021, funds are appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund as follows:

* * *

* * * Technical Assistance * * *

Sec. 25. [Deleted.]

Sec. 26. PROVISION OF TECHNICAL ASSISTANCE SERVICES TO LOCAL GOVERNMENTS

(a) The sum of \$950,000.00 is appropriated from the ~~American Rescue Plan Act of 2021 – Coronavirus State Fiscal Recovery Fund~~ General Fund to the Agency of Commerce and Community Development to be granted as follows:

* * *

Sec. C.116 2020 Acts and Resolves No. 154, Sec. D.101, as amended by 2021 Acts and Resolves No. 3, Sec. 42, is further amended to read

Sec. D.101 FUND TRANSFERS, REVERSIONS AND RESERVES

* * *

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2021:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

22005	AHS Central Office earned federal receipts	6,474,593.00
50300	Liquor Control Fund	22,740,000.00
21990	State Health Care Resources Fund	3,000,000.00
62100	Unclaimed Property Fund	2,710,636.00 <u>4,910,636.00</u>
	Caledonia Fair	5,000.00
	North Country Hospital Loan	24,047.00
21917	Public Funds Investigation Fund	100,000.00

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its next meeting following the final amounts being transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

21638	AG-Fees & reimbursement	
	– Court order	2,250,000.00 <u>3,050,000.00</u>
21928	Secretary of State Services Funds	2,867,898.00

(3) Notwithstanding 2016 Acts and Resolves No. 172, Section E. 228, ~~\$40,368,350~~ \$54,368,350 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (Fund Number 21075), the Captive Insurance Regulatory and Supervision Fund (Fund Number 21085), the Financial Institution Regulatory and Supervision Fund (Fund Number 21065), and the Securities Regulatory and Supervision Fund (Fund Number 21080) shall be transferred to the General Fund.

(4) The following ~~amount~~ amounts shall be transferred from the General Fund to the ~~fund~~ funds indicated:

21270	Forest Parks Revolving Fund	1,200,000.00
	<u>E-911 Special Fund</u>	<u>1,800,000.00</u>

* * *

(d) In fiscal year 2021, the following General Fund reserves shall be made:

(1) Pursuant to 32 V.S.A. § 308 and Section D.100.2 of this Act, ~~\$541,962~~ \$2,041,962 shall be reserved in the General Fund Budget Stabilization Reserve. To the extent this transfer exceeds the requirement of 32 V.S.A. § 308 funds and shall remain reserved in the General Fund Budget Stabilization Reserve and be reconciled with this reserve requirement in fiscal years 2022 or 2023.

* * *

* * * Fiscal Year 2022 Fund Transfers and Reserve Allocations * * *

Sec. D.100 APPROPRIATIONS; PROPERTY TRANSFER TAX

(a) This act contains the following amounts appropriated from special funds that receive revenue from the property transfer tax. Expenditures from these appropriations shall not exceed available revenues.

(1) The sum of \$518,000 is appropriated from the Current Use Administration Special Fund to the Department of Taxes for administration of the Use Tax Reimbursement Program. Notwithstanding 32 V.S.A. § 9610(c), amounts in excess of \$518,000 from the property transfer tax that are deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of \$10,804,840 is appropriated from the Vermont Housing and Conservation Trust Fund to the Vermont Housing and Conservation Board (VHCB). Notwithstanding 10 V.S.A. § 312, amounts in excess of \$10,804,840 from the property transfer tax and surcharge established by 32 V.S.A. § 9602a that are deposited into the Vermont Housing and Conservation Trust Fund shall be transferred into the General Fund.

(A) The dedication of \$2,500,000 in revenue from the property transfer tax pursuant to 32 V.S.A. § 9610(d) for the debt payments on the affordable housing bond 10 V.S.A. § 314) is to be offset by the reduction of \$1,500,000 in the appropriation to the VHCB and \$1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2022 appropriation of \$10,804,840 to VHCB reflects the \$1,500,000 reduction. The affordable housing bond and related property transfer tax and surcharge provisions are repealed after the life of the bond on July 1, 2039. Once the bond is retired, the \$1,500,000 reduction in the appropriation to VHCB is intended to be restored.

(3) The sum of \$3,760,599 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of \$3,760,599 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The \$3,760,599 shall be allocated as follows:

(A) \$2,924,417 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) \$457,482 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) \$378,700 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law, the following amounts are transferred from the funds indicated:

(1) From the General Fund to the Environmental Contingency Fund established by 10 V.S.A. § 1283: \$9,500,000.

(2) From the General Fund to the Human Rights Commission Fund (21692): \$300,000.

(3) From the General Fund to the Forest Parks Revolving Fund (21270): \$2,050,000.

(4) From the General Fund to the Act 250 Permit Fund (21260): \$1,000,000.

(5) From the General Fund to the Fire Prevention Special Fund (21901): \$500,000.

(6) From the Clean Water Fund (21932) established by 10 V.S.A. § 1388 to the Agricultural Water Quality Special Fund (21933) created under 6 V.S.A. § 4803: \$4,521,393

(7) From the Clean Water Fund established by 10 V.S.A. § 1388 to the Lake in Crisis Response Program Special Fund (21938) created under 10 V.S.A. § 1315: \$50,000.

(8) From the Transportation Fund to the Downtown Transportation and Related Capital Improvement Fund (21575) established by 24 V.S.A. § 2796 to be used by the Vermont Downtown Development Board for the purposes of the Fund: \$4,023,966.

(9) From the Transportation Infrastructure Bond Fund established by 19 V.S.A. § 11f to the Transportation Infrastructure Bonds Debt Service Fund established by 32 V.S.A. § 951a for funding fiscal year 2023 transportation infrastructure bonds debt service: \$2,502,363.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2022:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

<u>22005</u>	<u>AHS Central Office earned federal receipts</u>	<u>\$4,641,961.14</u>
<u>50300</u>	<u>Liquor Control Fund</u>	<u>\$22,750,000.00</u>
	<u>Caledonia Fair</u>	<u>\$5,000.00</u>
	<u>North Country Hospital Loan</u>	<u>\$24,047.00</u>

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred from the following funds to the General Fund. The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at its July meeting the final amounts transferred from each fund and certify that such transfers will not impair the agency, office, or department reliant upon each fund from meeting its statutory requirements.

<u>21638</u>	<u>AG-Fees & reimbursement – Court order</u>	<u>\$2,000,000.00</u>
<u>21928</u>	<u>Secretary of State Services Funds</u>	<u>\$2,467,898.00</u>
<u>62100</u>	<u>Unclaimed Property Fund</u>	<u>\$3,027,750.00</u>

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E. 228, \$46,078,618 of the unencumbered balances in the Insurance Regulatory and Supervision Fund (21075), the Captive Insurance Regulatory and Supervision Fund (21085), and the Securities Regulatory and Supervision Fund (21080) shall be transferred to the General Fund.

(c) Notwithstanding any provision of law to the contrary, pursuant to 32 V.S.A. § 308, in fiscal year 2022, an estimated amount of \$6,259,724 shall be reserved in the General Fund Budget Stabilization Reserve.

(d) Notwithstanding any provision of law to the contrary, in fiscal year 2022, the following amounts shall revert to the General Fund from the accounts indicated:

<u>2150010000</u>	<u>Military – administration</u>	<u>\$200,000.00</u>
<u>1210002000</u>	<u>Legislature</u>	<u>\$140,000.00</u>
<u>1215001000</u>	<u>Legislative Counsel</u>	<u>\$50,000.00</u>
<u>1220000000</u>	<u>Joint Fiscal Office</u>	<u>\$50,000.00</u>
<u>1225001000</u>	<u>Legislative IT</u>	<u>\$120,000.00</u>
<u>1230001000</u>	<u>Sergeant at Arms</u>	<u>\$60,000.00</u>

Sec. D.102 27/53 RESERVE; TRANSFER AND USE

(a) \$3,740,000 from the General Fund shall be reserved in the 27/53 reserve in fiscal year 2022. This action is the fiscal year 2022 contribution to the reserve for the 53rd week of Medicaid as required by 32 V.S.A. § 308e and the 27th payroll reserve as required by 32 V.S.A. § 308e(b).

(b) \$24,030,000 shall be unreserved from the 27/53 Reserve in in fiscal year 2022 to provide for the appropriations described in Secs. B.1106(a)(1)(A) and B.1106(a)(1)(B) of this act.

Sec. D.103 [Deleted.]

Sec. D.104 FISCAL YEAR 2022 GLOBAL COMMITMENT PROGRAM
GENERAL FUND REVERSION

(a) In fiscal year 2022, the amount of \$66,000,000 shall be reverted to the General Fund from the general funds appropriated in Sec. B.301 of this act for the Global Commitment Program.

Sec. D.105 [Deleted.]

* * * General Government * * *

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of the following new positions is authorized in fiscal year 2022 shall be transferred and converted from existing vacant positions in the Executive Branch and shall not increase the total number of authorized State positions, as defined in Sec. A.107 of this act that pertains to subdivisions (1) and (2) of this subsection:

(1) Permanent classified positions:

(A) Department of Public Safety – one (1) Paralegal to assist with public records requests.

(B) Agency of Administration – one (1) Policy and Research Analyst and one (1) Outreach and Education Coordinator.

(C) Secretary of State – one (1) State Elections Assistant Director.

(D) Criminal Justice Council – one (1) Professional Regulatory Investigator.

(2) Permanent exempt position:

(A) Criminal Justice Council – one (1) Staff Attorney.

(b) The conversion of one limited service position to classified permanent status is authorized in fiscal year 2022 as follows:

(1) The Secretary of State – one (1) Administrative Services Director.

(c) Five-year limited service classified positions are authorized in fiscal year 2022:

(1) Department of Environmental Conservation – one (1) Environmental Analyst.

(2) Department of Health – one (1) Senior Environmental Health Risk Assessor.

Sec. E.100.1 2014 Acts and Resolves No. 179, Sec. E100(d); as amended by 2015 Acts and Resolves No. 4, Sec. 74; 2016 Acts and Resolves No. 172, Sec. E.100.2; 2017 Acts and Resolves No. 85, Sec. E.100.1; 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.100.1; 2020 Acts and Resolves No. 120; and by 2020 Act and Resolves No. 154, Sec. A.7; is further amended to read:

(d) Position Pilot Program. A Position Pilot is hereby created to assist participating departments in more effectively managing costs of overtime, compensatory time, temporary employees, and contractual work by removing the position cap with the goal of maximizing resources to the greatest benefit of Vermont taxpayers.

* * *

(7) This Pilot shall sunset on ~~July 1, 2021~~ July 1, 2023, unless extended or modified by the General Assembly.

Sec. E.103 12 V.S.A. § 5601(f) is amended to read:

(f) The limitations in subsection (e) of this section do not apply to claims against the State of Vermont to the extent that there exists coverage under a policy of liability insurance purchased by the ~~Commissioner of Buildings and General Services~~ Secretary of Administration.

Sec. E.103.1 12 V.S.A. § 5603 is amended to read:

§ 5603 SETTLEMENT OF CLAIMS

(a) The Attorney General may consider, adjust, determine, and settle any claim for damages against the State of Vermont resulting from the acts or omissions of an employee as provided under 3 V.S.A. § 159. If the State elects to self-insure the liability as defined in 12 V.S.A. § 5601, the Attorney General shall consult with the ~~Commissioner of Buildings and General Services~~ Secretary of Administration prior to exercising his or her authority under this subsection.

* * *

Sec. E.103.2 REPEAL

29 V.S.A. § 152(a)(5) is repealed.

Sec. E.103.3 3 V.S.A. § 2222 is amended to read:

§ 2222. POWERS AND DUTIES; BUDGET AND REPORT

(a) In addition to the duties expressly set forth elsewhere by law, the Secretary shall:

* * *

(11) Inspect, appraise, and maintain a current appraisal schedule of all State-owned buildings, appendages, and appurtenances thereto based upon replacement value in the first instance and upon depreciated value in the second instance. Appraisals shall be furnished upon request to the Commissioner of Buildings and General Services, departments and agencies concerned, and appropriate committees of the General Assembly.

* * *

Sec. E.105 3 V.S.A. § 3303 is amended to read:

§ 3303 REPORTING, RECORDS, AND REVIEW REQUIREMENTS

* * *

(c) Strategic plan. The Secretary shall prepare and submit a strategic plan for information technology and cybersecurity, concurrent with the Governor's annual budget request required under 32 V.S.A. § 306. The strategic plan shall include:

* * *

Sec. E.106 SELECT EXECUTIVE BRANCH FEES; PROPOSED INCREASES; REPORT

(a) The Commissioner of Finance and Management shall identify the existing statutory Executive Branch fees in the areas of public health, natural resources, and transportation that currently generate receipts in excess of \$1,000,000 per fiscal year and that have not been changed or reauthorized in two or more years.

(b) For the fees described in subsection (a) of this section, the Commissioner of Finance and Management shall prepare a report that shows what each fee would be if the fee was changed to reflect the level of inflation between the date the fee was last changed and July 2021, as well as the difference between current revenue and new revenue if the fee were to change.

(c) On or before January 15, 2022, the Commissioner of Finance and Management shall submit a copy of the report described in subsection (b) of this section to the House Committees on Government Operations and on Ways and Means, and the Senate Committees on Finance and on Government Operations. The report shall include a proposal to increase any fee identified in subsection (b) which the revenue raised by the fee does not account for the cost of providing the service, product, or regulatory function supported by that fee.

Sec. E.107 CORONAVIRUS RELIEF FUND APPROPRIATIONS;
REVERSION AND REALLOCATION; REPORTS

(a) The Commissioner of Finance and Management is authorized to revert all unobligated Coronavirus Relief Fund (CRF) appropriations prior to December 31, 2021. The total amount of CRF monies reverted in accordance with this subsection shall be allocated pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from July 1, 2021 through December 31, 2021.

(b) If previously obligated CRF monies become unobligated after December 31, 2021, the Commissioner of Finance and Management is authorized to revert the unobligated CRF appropriations and allocate the monies for expenditure pursuant to 32 V.S.A. § 511 to any agency or department for CRF-eligible costs incurred from July 1, 2021 through December 31, 2021.

(c) The Commissioner of Finance and Management shall report to the House and Senate Committees on Appropriations with the Governor's recommended fiscal year 2022 budget adjustment proposal the total amount of reversions and allocations executed to date pursuant to subsection (a) of this section and the total amount of reversions and allocations executed to date pursuant to subsection (b) of this section. On April 1, 2022, the Commissioner shall provide an update on these amounts to the House and Senate Committees on Appropriations along with any recommendation for language needed in the fiscal year 2023 budget bill to continue to close out the State's CRF.

(d) The authority granted to the Commissioner of Finance and Management in this section is in addition to the authority granted to the Commissioner by 2021 Acts and Resolves No. 3, Sec. 2.

Sec. E.108 – Human resources – operations

(a) The Department of Human Resources, as the replacement of the current position classification system is designed and implemented, shall request input from State employees who are members of the classified system and their union or collective bargaining unit representatives. On January 15 of each

year, the Department shall provide annual status reports to the Committees on Appropriations and Government Operations until project completion.

Sec. E.111 Tax – administration/collection

(a) Of the appropriation in Sec. B.111 of this act, \$15,000 is from the Current Use Administration Special Fund established by 32 V.S.A. § 9610(c) and shall be appropriated for programming changes to the CAPTAP software used by municipalities for establishing property values and administering their grand lists.

Sec. E.112 STATE ENERGY MANAGEMENT PROGRAM

(a) The Buildings and General Services State Energy Management Program may charge for technical assistance it provides to municipalities at an amount equal to time and cost.

Sec. E.125 OFFICE OF LEGISLATIVE COUNSEL POSITIONS

(a) One permanent exempt position, Paralegal, is authorized for establishment in fiscal year 2022.

(b) One exempt limited service position, Legislative Counsel, is authorized for establishment in fiscal year 2022.

Sec. E.126 TRANSFER OF FUNDS WITHIN LEGISLATIVE BRANCH

(a) Notwithstanding 32 V.S.A. § 706, in fiscal year 2022, appropriations within the Legislative Branch may be transferred between respective offices to ensure a balanced close-out in the fiscal year.

Sec. E.126a LEGISLATIVE – HUMAN RESOURCE ASSOCIATE
POSITION

(a) One limited service position, Human Resources Associate, is authorized for establishment in fiscal year 2022.

Sec. E.126b TASK FORCE ON AFFORDABLE, ACCESSIBLE HEALTH
CARE; REPORT

(a) Creation. There is created the Task Force on Affordable, Accessible Health Care to explore opportunities to make health care more affordable for Vermont residents and employers.

(b) Membership. The Task Force may be composed of the following six members:

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

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

(c) Powers and duties. The Task Force shall explore opportunities to make health care, including prescription drugs, more affordable for Vermont residents and employers, including identifying potential opportunities to leverage federal flexibility and financing and to expand existing public health care programs. In completing its work, the Task Force shall:

(1) keep in mind the principles for health care reform enacted in 2011 Acts and Resolves No. 48 and codified at 18 V.S.A. § 9371:

(2) identify the primary drivers of health insurance premium increases in Vermont;

(3) review the findings and recommendations from previous studies and analyses relating to the affordability of health care coverage in Vermont;

(4) determine actions the State can take without federal assistance to address the unmet health care needs of Vermont residents and employers;

(5) analyze the long-term trends in out-of-pocket costs in Vermont in individual and small group health insurance plans and in large group health insurance plans; and

(6) identify opportunities to decrease health care disparities, especially those highlighted by the COVID-19 pandemic and those attributable to a lack of access to affordable health care services.

(d) Assistance.

(1) To the extent that applicable funds are appropriated in Sec. B.1106 of this act, the Joint Fiscal Office shall contract with a consultant to provide the Task Force with technical and research assistance in carrying out the duties set forth in subsection (c) of this section. The consultant's primary focus shall be on monitoring and reviewing opportunities made available by the Biden Administration to expand access to affordable health care through existing public health care programs or through emerging opportunities to address the unmet health care needs of Vermont residents and employers. The consultant shall remain available to assist the committees of jurisdiction as needed throughout the 2022 legislative session.

(2) In addition, the Task Force shall have the administrative, technical, and legal assistance of the Office of Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal Office.

(f) Reports.

(1) On or before December 1, 2021, the Task Force and the consultant shall brief the leadership of the House Committee on Health Care and of the Senate Committee on Health and Welfare on their preliminary findings.

(2) On or before January 15, 2022, the Task Force and the consultant shall present to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance their findings and recommendations regarding the most cost-effective ways to expand access to affordable health care for Vermonters without health insurance and those facing high health care costs and the various options available to implement these recommendations.

(g) Meetings.

(1) The first meeting of the Task Force shall occur on or before August 15, 2021.

(2) The Task Force shall select House and Senate co-chairs from among its members at its first meeting. The Co-Chairs shall alternate acting as Chair at Task Force meetings.

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

(4) The Task Force shall cease to exist on January 15, 2022.

(h) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, the members of the Task Force shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than five meetings. These payments shall be made from monies appropriated to the General Assembly.

Sec. E.126.1 LEGISLATIVE INFORMATION TECHNOLOGY – WEB DEVELOPER POSITION

(a) One permanent exempt position, Web Developer, is authorized for establishment in fiscal year 2022.

Sec. E.127 JOINT FISCAL OFFICE – FISCAL ANALYST POSITION

(a) One permanent exempt position, Fiscal Analyst, is authorized for establishment in fiscal year 2022.

Sec. E.127.1 INFORMATION TECHNOLOGY REVIEW

(a) The Executive Branch shall transfer, upon request, one vacant position for use in the Legislative Joint Fiscal Office (JFO) for a staff position, or the JFO may hire a consultant, to provide support to the General Assembly to conduct independent reviews of State information technology projects and operations.

(b) The Secretary of Administration and the Chief Information Officer shall:

(1) provide to the JFO access to the reviews conducted by Independent Verification and Validation (IVV) firms hired to evaluate the State's current and planned information technology project, as requested;

(2) ensure that IVV firms' contracts allow the JFO to make requests for information related to the projects that it is reviewing and that such requests are provided to the JFO in a confidential manner; and

(3) provide to the JFO access to all other documentation related to current and planned information technology projects and operations, as requested.

(c) The JFO shall maintain a memorandum of understanding with the Executive Branch relating to any documentation provided under subsection (b) of this section that shall protect security and confidentiality.

(d) To fund this work for fiscal year 2022 and fiscal year 2023, notwithstanding 32 V.S.A. § 706, at the close of fiscal year 2021, \$250,000.00 in carryforward from the legislative budget shall be transferred to the JFO.

Sec. E.127.2 ISSUE BRIEF – PROGRAMS FUNDED AND TRENDS
RELATED TO CRIMINAL JUSTICE FINES, FEES,
PENALTIES AND SURCHARGES

(a) The Joint Fiscal Office shall prepare an issue brief to present to the Joint Legislative Justice Oversight Committee on criminal justice fines, fees, penalties and surcharges at their November or December 2021 meeting. Specifically, the issue brief shall provide:

(1) the revenues generated by these items over the past five fiscal years, and the projected revenue from these source for the next five fiscal years;

(2) an inventory of the programs supported by these revenues, and the projected funding needs of these programs over the next five years.

(3) options for alternative funding sources for these programs for consideration in the 2023 legislation session.

(b) The Joint Fiscal Office shall consult with program stakeholders and shall have the assistance of Executive Branch agencies and departments as needed in preparing this issue brief.

Sec. E.127.3 USE OF FEDERAL EXCESS RECEIPTS DURING 2021
LEGISLATIVE ADJOURNMENT

(a)(1) Notwithstanding Sec. A.106 of this act and 32 V.S.A. § 511, if federal legislation, such as a federal infrastructure bill, is enacted that provides Vermont with additional federal resources received following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session, the Secretary of Administration shall seek the approval of the Joint Fiscal Committee as set forth in this section prior to obligating or expending federal monies in any specific receipt greater than \$5,000,000.

(2) Nothing in subdivision (1) of this subsection shall be construed to authorize the Secretary to obligate or expend State funds in excess of the amounts of State funds appropriated in the fiscal year 2022 budget.

(b) The Secretary of Administration shall inform the Joint Fiscal Committee, through the Joint Fiscal Office, of any changes in the availability to the State of federal funds in a previously accepted grant following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session, and shall request approval from the Joint Fiscal Committee, by notifying the Joint Fiscal Office, of any proposed obligation or expenditure of a receipt of federal funds greater than \$5,000,000.

(1) The Joint Fiscal Committee may approve the proposed obligation or expenditure of newly available federal funds if the Committee determines that the proposal meets one or more of the following criteria:

(A) The proposed use of funds is consistent with the intent of legislation enacted during the 2021 legislative session.

(B) The proposed use of funds is necessary to meet needs associated with the COVID-19 pandemic.

(C) The proposed use of funds requires prompt action that should not be delayed to allow for consideration by the General Assembly during the 2022 legislative session.

(2) If the Joint Fiscal Committee disapproves the proposed obligation or expenditure of newly available federal funds in whole or in part, the Committee shall inform the Secretary of the disapproval and the basis for the disapproval within 30 calendar days following receipt by the Joint Fiscal Office of the proposed obligation or expenditure. The Secretary may revise and resubmit a disapproved proposal for further consideration.

(3) If the Joint Fiscal Committee does not take action on the proposed obligation or expenditure of newly available federal funds within 30 calendar days following receipt by the Joint Fiscal Office of the Secretary's proposal or

resubmitted proposal, the proposed obligation or expenditure shall be deemed approved.

(c) The Secretary of Administration may obligate and expend federal receipts of up to \$5,000,000 that become available as the result of federal legislation enacted following the adjournment of the 2021 legislative session and prior to the convening of the 2022 legislative session pursuant to 32 V.S.A. § 511 without seeking approval from the Joint Fiscal Committee.

(d) The authority of the Secretary of Administration and the Joint Fiscal Committee as set forth in this section shall remain in effect until February 1, 2022.

Sec. E.128 SERGEANT AT ARMS – CAPITOL POLICE OFFICER
POSITION

(a) One permanent exempt position, Capitol Police Officer, is authorized for establishment in fiscal year 2022.

Sec. E.128.1 SERGEANT AT ARMS – LEGISLATIVE FACILITY
COORDINATOR POSITION

(a) One limited service position, facility coordinator, is authorized for establishment in fiscal year 2021. The Sergeant at Arms is authorized to fill this position or to hire a consultant to provide facility coordination and management expertise to the legislature starting in fiscal year 2021.

Sec. E.130 32 V.S.A. § 168 is amended to read:

§ 168. SINGLE AUDIT REVOLVING FUND

(a)(1) The Single Audit Revolving Fund is established within the State Treasury, to be administered by the Auditor of Accounts, from which payments may be made for the costs of audits performed pursuant to subdivisions 163(1) ~~and, 163(2), and 5404a(1)~~ of this ~~subchapter title~~ and 24 V.S.A. § 290b.

(2) All monies received from charges made for audit services under the provisions of subsection (b) of this section and sums that may be appropriated to the Fund shall be deposited in the Fund.

(3) Any balance remaining in the Fund at the end of any fiscal year shall be carried forward and remain a part of the Fund.

(b)(1) The Auditor of Accounts shall charge the State department, agency, commission, instrumentality, political subdivision, or State-created authority audited for the direct and indirect costs of an audit performed pursuant to subdivisions 163(1) ~~and, 163(2), and 5404a(1)~~ of this ~~subchapter title~~ and 24 V.S.A. § 290b.

(2) Costs shall be determined by the Auditor of Accounts and costs associated with subdivisions 163(1) and (2) of this ~~subchapter~~ title shall be approved by the Secretary of Administration.

Sec. E.130.1 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

* * *

(1) The State Auditor of Accounts shall conduct performance audits of all tax increment financing districts ~~according to a schedule, which will be arrived at in consultation with the Vermont Economic Progress Council.~~ The cost of conducting each audit shall be considered a “related cost” as defined in 24 V.S.A. § 1891(6) and shall be billed back to the municipality pursuant to subsection 168(b) of this title. Audits conducted pursuant to this subsection shall include a review of a municipality’s adherence to relevant statutes and rules adopted by the Vermont Economic Progress Council pursuant to subsection (j) of this section, an assessment of record keeping related to revenues and expenditures, and a validation of the portion of the tax increment retained by the municipality and used for debt repayment and the portion directed to the Education Fund.

* * *

Sec. E.133 VERMONT STATE RETIREMENT SYSTEM

(a) Notwithstanding 3 V.S.A. § 473(d), in fiscal year 2022, investment fees shall be paid from the corpus of the Fund.

Sec. E.139 GRAND LIST LITIGATION ASSISTANCE

(a) Of the appropriation in Sec. B.139 of this act, \$9,000 shall be transferred to the Attorney General and \$70,000 shall be transferred to the Department of Taxes, Division of Property Valuation and Review and reserved and used with any remaining funds from the amount previously transferred for final payment of expenses incurred by the Department or towns in defense of grand list appeals regarding the reappraisals of the hydroelectric plants and other property owned by TransCanada Hydro Northeast, Inc. and its successor Great River Hydro, LLC in the State of Vermont. Expenditures for this purpose shall be considered qualified expenditures under 16 V.S.A. § 4025(c).

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) The appropriation in Sec. B.142 is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for

PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.143 PAYMENTS IN LIEU OF TAXES – MONTPELIER

(a) Payments in lieu of taxes under Sec. B.143 shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

Sec. E.144 PAYMENTS IN LIEU OF TAXES – CORRECTIONAL FACILITIES

(a) Payments in lieu of taxes under Sec. B.144 shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * Protection to Persons and Property * * *

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any other provisions of law, the Office of the Attorney General, Medicaid Fraud and Residential Abuse Unit, is authorized to retain, subject to appropriation, one-half of the State share of any recoveries from Medicaid fraud settlements, excluding interest, that exceed the State share of restitution to the Medicaid Program. All such designated additional recoveries retained shall be used to finance Medicaid Fraud and Residential Abuse Unit activities.

(b) Of the revenue available to the Attorney General under 9 V.S.A. § 2458(b)(4), \$1,390,500 is appropriated in Sec. B.200 of this act.

Sec. E.207 JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE; TRANSPORTS; STUDY; REPORT

(a) The Joint Legislative Justice Oversight Committee shall examine the current system for transporting prisoners and persons with a mental condition or psychiatric disability who are in the custody of the State, including transports provided by deputy sheriffs who are paid by the State pursuant to 24 V.S.A. § 290(b) and transports provided pursuant to contracts that certain State agencies have entered into with county sheriff's departments. The Committee may recommend changes to the existing system and shall identify any benefits and adverse consequences related to those recommended changes. Any recommended changes shall comply with the Agency of Human Services' policies on the use of restraints in accordance with 2017 Acts and Resolves No. 85 § E.314.

(b) On or before November 15, 2021, the Committee shall submit a report to the House and Senate Committees on Appropriations, on Government Operations, and on Judiciary regarding its findings and any recommendations

for legislative action.

(c) In conducting its review pursuant to this section, the Committee shall review audits prepared by the Auditor of Accounts regarding the use of deputies who are paid by the State pursuant to 24 V.S.A. § 290(b) during the state of emergency declared pursuant to Executive Order 01-20, as amended, and the Inmate Transportation Study Report prepared pursuant to 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. E.207.

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

(a) The Commissioner of Public Safety is authorized to enter into a performance-based contract with the Essex County Sheriff's Department to provide law enforcement service activities agreed upon by both the Commissioner of Public Safety and the Sheriff.

Sec. E.209 PUBLIC SAFETY – STATE POLICE

(a) Of the appropriation in Sec. B.209 of this act, \$35,000 in special funds shall be available for snowmobile law enforcement activities and \$35,000 in general funds shall be available to the Southern Vermont Wilderness Search and Rescue Team, which comprises State Police, the Department of Fish and Wildlife, county sheriffs, and local law enforcement personnel in Bennington, Windham, and Windsor Counties, for snowmobile enforcement.

(b) Of the appropriation in Sec. B.209 of this act, \$405,000 is allocated for grants in support of the Drug Task Force. Of this amount, \$190,000 shall be used by the Vermont Drug Task Force to fund three town task force officers. These town task force officers shall be dedicated to enforcement efforts with respect to both regulated drugs as defined in 18 V.S.A. § 4201(29) and the diversion of legal prescription drugs. Any unobligated funds may be allocated by the Commissioner to fund the work of the Drug Task Force or carried forward.

Sec. E.212 PUBLIC SAFETY – FIRE SAFETY

(a) Of the General Fund appropriation in Sec. B.212 of this act, \$55,000 shall be granted to the Vermont Rural Fire Protection Task Force for the purpose of designing dry hydrants.

Sec. E.215 MILITARY – ADMINISTRATION

(a) The amount of \$1,119,834 shall be disbursed to the Vermont Student Assistance Corporation for the National Guard Tuition Benefit Program established in 16 V.S.A. § 2857.

Sec. E.219 MILITARY – VETERANS’ AFFAIRS

(a) Of the appropriation in Sec. B.219 of this act, \$1,000 shall be used for continuation of the Vermont Medal Program; \$4,800 shall be used for the expenses of the Governor’s Veterans’ Advisory Council; \$7,500 shall be used for the Veterans’ Day parade; \$5,000 shall be used for the Military, Family, and Community Network; and \$10,000 shall be granted to the American Legion for the Boys’ State and Girls’ State programs.

Sec. E.220 CENTER FOR CRIME VICTIMS SERVICES

(a) Notwithstanding 20 V.S.A. § 2365(c), the Vermont Center for Crime Victims Services shall transfer \$52,624 from the Domestic and Sexual Violence Special Fund established in 13 V.S.A. § 5360 to the Criminal Justice Training Council for the purpose of funding one-half the costs of the Domestic Violence Trainer position. The other half of the position will be funded with an appropriation to the Criminal Justice Training Council.

Sec. E.220.1 [Deleted.]

Sec. E.222 2019 Acts and Resolves No. 83, Sec. 3, as amended by 2020 Acts and Resolves No. 129, Sec. 24, is further amended to read:

Sec. 3. PAYMENT FOR ECOSYSTEM SERVICES AND SOIL
HEALTH WORKING GROUP

* * *

(4) The Working Group shall cease to exist on February 1, ~~2022~~ 2023.

(d) On or before January 15, ~~2022~~ 2023, the Secretary of Agriculture, Food and Markets shall submit to the Senate Committee on Agriculture and the House Committee on Agriculture and Forestry a report that shall include:

* * *

Sec. E.224 AGRICULTURE, FOOD AND MARKETS – AGRICULTURAL
DEVELOPMENT

(a) Of the funds appropriated in Sec. B.224 of this act, the amount of \$594,000 in general funds is appropriated for expenditure by the Working Lands Enterprise Board established in 6 V.S.A. § 4606 for investments in food and forest system businesses and services providers pursuant to 6 V.S.A. § 4607 and consistent with the funding priorities in 2012 Acts and Resolves No. 142, Sec. 5, as amended by 2014 Acts and Resolves No. 179, Sec. E.224.1.

Sec.E.227 DEPARTMENT OF FINANCIAL REGULATION; ESSENTIAL
HEALTH BENEFITS; BENCHMARK PLAN REVIEW

(a) The Department of Financial Regulation, in consultation with the Department of Vermont Health Access; the Director of Health Care Reform in the Agency of Human Services; the Green Mountain Care Board; representatives of health care consumers, health care providers, and health insurers; and other interested stakeholders, shall review Vermont's benchmark plan establishing the State's essential health benefits to assess whether the benchmark plan is appropriately aligned with Vermont's health care reform goals regarding population health and prevention, as set forth in the Vermont All-Payer Accountable Care Organization (ACO) Model agreement and the Department of Health's State Health Improvement Plan: 2019–2023, and to determine whether to recommend requesting approval from the Centers for Medicare and Medicaid Services to modify the benchmark plan. As part of its review, the Department shall:

(1) determine the potential impacts of modifying the benchmark plan to include coverage of each of the following:

- (A) hearing aids;
- (B) dentures;
- (C) vision care;
- (D) durable medical equipment; and
- (E) fertility services; and

(2) analyze the likely impact on qualified health plan designs, actuarial values, and premium rates of requiring individual and small group health insurance plans to provide each insured with at least two primary care visits per year with no cost-sharing requirement.

(b) On or before January 15, 2022, the Department of Financial Regulation shall provide the results of its benchmark plan review, including the extent of the plan's alignment with the All-Payer ACO Model agreement and the State Health Improvement Plan and any necessary revisions to maximize that alignment, the impacts of adding coverage for each of the items listed in subdivisions (a)(1)(A)–(E) of this section, the likely impacts of requiring plans to provide at least two primary care visits annually without cost-sharing, and any recommendations for modifications to Vermont's benchmark plan, to the House Committees on Health Care and on Human Services and the Senate Committees on Health and Welfare and on Finance.

Sec. E.227.1 18 V.S.A. § 9473 is amended to read:

§ 9473. PHARMACY BENEFIT MANAGERS; REQUIRED PRACTICES
WITH RESPECT TO PHARMACIES

* * *

(d) A pharmacy benefit manager shall not:

(1) require a claim for a drug to include a modifier or supplemental transmission, or both, to indicate that the drug is a 340B drug unless the claim is for payment, directly or indirectly, by Medicaid; or

(2) restrict access to a pharmacy network or adjust reimbursement rates based on a pharmacy's participation in a 340B contract pharmacy arrangement.

Sec. E.227.2 REPEAL

18 V.S.A. § 9473(d) (pharmacy benefit managers; 340B entities) is repealed on January 1, 2023.

Sec. E.227.3 DEPARTMENT OF FINANCIAL REGULATION; 340B
DRUG PRICING PROGRAM; REPORT

On or before January 15, 2022, the Department of Financial Regulation, in consultation with the Office of the Attorney General, shall report to the House Committee on Health Care and the Senate Committees on Health and Welfare and on Finance regarding national activity affecting participation in the 340B Drug Pricing Program, including:

(1) recent changes to the manner in which prescription drug manufacturers pay rebates to pharmacy benefit managers for prescriptions filled through 340B pharmacies;

(2) the potential impacts of these changes on Vermont stakeholders, including individual Vermonters; and

(3) possible State responses to prescription drug manufacturer and pharmacy benefit manager actions related to participation in the 340B Drug Pricing Program.

Sec. E.234 [Deleted.]

Sec. E.234.1 [Deleted.]

Sec. E.234.2 [Deleted.]

Sec. E.234.3 DEVELOPMENT OF WEATHERIZATION WORKFORCE
AND COUNSELING SERVICES; REPORTS

(a) Weatherization Workforce report.

(1) On or before June 15, 2021, the Chairs of the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology, or their designees, shall meet with the Department of Labor, the Agency of Education, Efficiency Vermont, representatives of the community action agencies, NeighborWorks of Western Vermont, the Vermont Fuel Dealers Association, and other parties currently delivering programming to train workers to perform services related to thermal energy savings and weatherization.

(2) Thereafter, Efficiency Vermont shall lead the Weatherization Workforce Group that shall develop plans for the coordinated delivery of a standardized statewide Building Sciences curriculum that includes weatherization. The curriculum shall be designed to establish a career pathway in energy efficiency construction and shall include a certification that is broadly recognized, transparent, and portable.

(3) On or before October 1, 2021, Efficiency Vermont shall report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology a plan for enhancing the coordinated delivery of the standardized Building Sciences training program in order to support the goals of 10 V.S.A. § 581.

(b) Energy Savings Counseling report.

(1) On or before June 30, 2021, the Chairs of the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology, or their designees shall meet with the Office of Economic Opportunity, the directors of the community action agencies, Efficiency Vermont, NeighborWorks of Western Vermont, and other parties currently providing outreach and counseling services to Vermonters with low and moderate income for the State's energy savings programs, including thermal and transportation energy efficiency programs.

(2) Thereafter, the Office of Economic Opportunity shall lead the Energy Savings Counseling Group that shall develop a plan for the coordinated and effective delivery of counseling services designed to enroll and deliver energy savings programs to their target service populations.

(3) On or before October 15, 2021, the Office of Economic Opportunity shall report to the Senate Committee on Natural Resources and Energy and the House Committee on Energy and Technology a plan for coordinating and enhancing their counseling services to Vermonters with low and moderate-income who could benefit from the State's energy savings programs, including thermal and transportation energy efficiency programs.

Sec. E.234.4 [Deleted.]

Sec. E.235 STUDY; E-911 SPECIAL FUND

(a) The Agency of Administration shall review the existing statutory funding streams for the Enhanced 911 Special Fund and shall propose changes or additions as necessary to ensure the long-term sustainability of the E-911 Board's operations. On or before January 15, 2022, the Secretary of Administration shall report his or her findings and recommendations to the House Committees on Energy and Technology, on Government Operations, on Ways and Means, and on Appropriations and the Senate Committees on Finance and on Appropriations. As a part of this review and report, the Secretary shall specifically provide comment or recommendation on the proposals related to capacity of the Universal Service Fund contained in the report issued pursuant to 2020 Acts and Resolves No. 137, Sec. 19 (PEG study), and recommendations regarding the structure or governance of the E-911 program.

* * * Human Services * * *

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE
ADVOCATE

(a) Of the funds appropriated in Sec. B.300 of this act, \$1,457,406 shall be used for the contract with the Office of the Health Care Advocate.

Sec. E.300.1 2020 Acts and Resolves No. 155, Sec. 2 is amended to read:

Sec. 2. HEALTH CARE WORKFORCE STRATEGIC PLAN; REPORT

(a) The Director of Health Care Reform, in connection with the advisory group established pursuant to 18 V.S.A. § 9491(b) in Sec. 1 of this act, shall update the health care workforce strategic plan as set forth in 18 V.S.A. § 9491 and shall submit a draft of the plan to the Green Mountain Care Board for its review and approval on or before ~~July 1~~ October 15, 2021. The Board shall review and approve the plan within 30 days following receipt.

(b) On or before ~~August 15~~ December 1, 2021, the Director shall provide the updated health care workforce strategic plan to the House Committees on Appropriations, on Health Care, and on Commerce and Economic Development and the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs.

Sec. E.300.2 [Deleted.]

Sec. E.301 SECRETARY'S OFFICE – GLOBAL COMMITMENT:

(a) The Agency of Human Services shall use the funds appropriated in Sec. B.301 of this act for payment of the actuarially certified premium required under the intergovernmental agreement between the Agency of Human

Services and the managed care entity, the Department of Vermont Health Access, as provided for in the Global Commitment for Health Waiver (Global Commitment) approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

(b) In addition to the State funds appropriated in this section, a total estimated sum of \$24,993,731 is anticipated to be certified as State matching funds under the Global Commitment as follows:

(1) \$22,220,000 certified State match available from local education agencies for eligible special education school-based Medicaid services under the Global Commitment. This amount, combined with \$28,280,000 of federal funds appropriated in Sec. B.301 of this act, equals a total estimated expenditure of \$50,500,000. An amount equal to the amount of the federal matching funds for eligible special education school-based Medicaid services under Global Commitment shall be transferred from the Global Commitment Fund to the Medicaid Reimbursement Special Fund created in 16 V.S.A. § 2959a.

(2) \$2,773,731 certified State match available from local designated mental health and developmental services agencies for eligible mental health services provided under Global Commitment.

(c) Up to \$4,618,437 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the amount appropriated in Sec. B.301 of this act – Secretary’s Office – Global Commitment.

Sec. E.301.1 GLOBAL COMMITMENT WAIVER AMENDMENT

(a) The Secretary of Human Services is authorized to seek to extend or renew Vermont’s Global Commitment to Health Section 1115 Demonstration Waiver, which is currently set to expire on December 31, 2021. The Agency of Human Services shall strive to maintain or increase the State’s flexibility to use Global Commitment investment dollars to increase access to care and coverage, improve health outcomes, strengthen health care delivery, and promote transformation to value-based and integrated models of care.

Sec. E.301.2 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) In order to facilitate the end-of-year closeout for fiscal year 2022, the Secretary of Human Services, with approval from the Secretary of Administration, may make transfers among the appropriations authorized for Medicaid and Medicaid-waiver program expenses, including Global Commitment appropriations outside the Agency of Human Services. At least three business days prior to any transfer, the Agency shall submit to the Joint

Fiscal Office a proposal of transfers to be made pursuant to this section. A final report on all transfers made under this section shall be made to the Joint Fiscal Committee for review at the September 2022 meeting. The purpose of this section is to provide the Agency with limited authority to modify the appropriations to comply with the terms and conditions of the Global Commitment for Health waiver approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.3 [Deleted.]

Sec. E.306 VERMONT HEALTH BENEFIT EXCHANGE RULES

(a) The Agency of Human Services may adopt rules pursuant to 3 V.S.A. chapter 25 to conform Vermont's rules regarding health care eligibility and enrollment and the operation of the Vermont Health Benefit Exchange to State and federal law and guidance. The Agency may use the emergency rules process pursuant to 3 V.S.A. § 844 prior to June 30, 2022, but only in the event that new State or federal law or guidance requires Vermont to amend or adopt its rules in a time frame that cannot be accomplished under the traditional rulemaking process. An emergency rule adopted under these exigent circumstances shall be deemed to meet the standard for the adoption of emergency rules required pursuant to 3 V.S.A. § 844(a).

Sec. E.306.1 33 V.S.A. § 1805 is amended to read:

§ 1805 DUTIES AND RESPONSIBILITIES

The Vermont Health Benefit Exchange shall have the following duties and responsibilities consistent with the Affordable Care Act:

* * *

~~(C) collecting premium payments made for qualified health benefit plans from employers and individuals on a pretax basis, including collecting premium payments from multiple employers of one individual for a single plan covering that individual; and~~

~~(D)(C)~~ creating a simplified and uniform system for the administration of health benefits.

* * *

(6) Determining enrollee ~~premiums and~~ subsidies as required by the Secretary of the U.S. Department of the Treasury or of the U.S. Department of Health and Human Services and informing consumers of eligibility for ~~premiums and~~ subsidies, including by providing an electronic calculator to determine the actual cost of coverage after application of any premium tax credit under Section 36B of the Internal Revenue Code of 1986 and any cost-

sharing reduction under Section 1402 of the Affordable Care Act.

* * *

Sec. E.311 AGENCY OF HUMAN SERVICES; DESIGNATED AND
SPECIALIZED SERVICE AGENCIES; WORKFORCE
DEVELOPMENT

(a) The Agency of Human Services shall distribute the remaining \$1,500,000 appropriated to the Agency to make strategic investments in order to expand the supply of high-quality mental health and substance use disorder treatment professionals in 2018 (Sp. Sess.) Acts and Resolves No. 11, Sec. 106.1 to the designated and specialized service agencies equitably based on each agency's proportion of full-time equivalent (FTE) mental health and substance use disorder treatment staff to the total number of FTE mental health and substance use disorder treatment staff across all designated and specialized service agencies statewide. The designated and specialized service agencies shall use these funds for loan repayment and tuition assistance to promote the recruitment and retention of high-quality mental health and substance use disorder treatment professionals available to Vermont residents in need of their services, as set forth in subsection (b) of this section.

(b)(1) Each designated and specialized service agency shall make the funds received pursuant to subsection (a) of this section available to its current and prospective employees as set forth in subdivisions (A) and (B) of this subdivision (1) on a rolling basis in exchange for a one-year service obligation to provide mental health services or substance use disorder treatment services, or both, at a designated or specialized service agency in this State. The funds may be used for the following purposes:

(A) loan repayment for master's-level clinicians, bachelor's-level direct service staff, and nurses; and

(B) tuition assistance for individuals pursuing degrees to become master's-level clinicians, bachelor's-level direct service staff, and nurses.

(2) Loan repayment and tuition assistance funds shall be available to the current and prospective employees of designated and specialized service agencies in the form of forgivable loans, with the debt forgiven upon the employee's completion of the required service obligation.

(c) Until the funds have been fully expended, the Agency of Human Services shall provide quarterly reports to the House Committees on Appropriations, on Health Care, and on Human Services; the Senate Committees on Appropriations and on Health and Welfare; and the Health Reform Oversight Committee with information on the following:

(1) the specific designated and specialized service agencies that have received funds to date and the programs within each of those agencies in which the financial assistance recipients will deliver services;

(2) the amount of financial assistance funding provided to each recipient;

(3) the specific degrees or certificates toward which the tuition assistance recipients are working and those earned by loan repayment recipients; and

(4) the number of new employees attracted to the designated and specialized service agencies as a result of the financial assistance, their fields of study, and the programs in which they deliver services.

Sec. E.311.1 18 V.S.A. § 33 is amended to read:

§ 33. UNIVERSITY OF VERMONT COLLEGE OF MEDICINE; MEDICAL STUDENTS; PRIMARY CARE STUDENT INCENTIVE SCHOLARSHIP

(a) The Department of Health, in collaboration with the Office of Primary Care and Area Health Education Centers Program (AHEC) at the University of Vermont College of Medicine (AHEC) and the Vermont Student Assistance Corporation (VSAC), shall establish a ~~primary care physician scholarship program~~ Medical Student Incentive Scholarship Program at the University of Vermont College of Medicine. The purpose of the Program is to strengthen the primary care workforce pipeline and increase the number of new physicians practicing in Vermont to meet the health care needs of Vermonters, with a focus on rural areas and undersupplied medical specialties. The ~~scholarships shall cover the medical school tuition for up to five third-year and up to five fourth-year medical students annually who commit to practicing primary care in a rural area of this State or in a Vermont federally qualified health center's service area, in a setting or practice not owned by an academic medical center. For each academic year of tuition covered by the scholarship, the recipient shall incur an obligation of two years of full-time service or four years of half-time service. Students receiving a scholarship for their third year of medical school shall be eligible to receive another scholarship for their fourth year of medical school. The amount of each scholarship shall be set at the in-state tuition rate less any other State or federal educational grant assistance the student receives for the same academic year.~~

(b)(1) Scholarships shall be awarded to up to 10 students annually who commit to practicing in a medical specialty priority area, as set forth in subdivision (c)(2) of this section, in a region of Vermont other than Chittenden County, in a practice site that is not owned by an academic medical center and

that accepts patients who are covered by Medicaid, Medicare, or other publicly funded health benefit programs.

(2) Students shall be eligible to participate in the Medical Student Incentive Scholarship Program in their third and fourth year of medical school. A student who receives an incentive scholarship for the third year of medical school shall be eligible to receive another incentive scholarship for the fourth year of medical school.

(3) Each incentive scholarship award shall be for an amount not less than the in-state tuition rate for the University of Vermont College of Medicine.

(c)(1) For each academic year of incentive scholarship received, the recipient shall incur a full-time service obligation of not less than one year in a medical specialty priority area and in a setting that meets the requirements of subdivision (b)(1) of this section.

(2) The medical specialty priority area shall be primary care; ~~Approved~~ approved specialties shall be all of the specialties recognized by the National Health Service Corps at the time of the scholarship award, which may include family medicine, internal medicine, adult primary care, pediatrics primary care, obstetrics-gynecology, and psychiatry.

(e)(3) A ~~An~~ incentive scholarship recipient who does not fulfill the service obligation commitment to practice primary care in Vermont in accordance with the terms of the award shall be liable for repayment of the full amount of the scholarship, plus interest ~~calculated in accordance with the formula determined by the National Health Service Corps for failure to complete a service obligation under that program and penalty.~~

(d)(1) The Medical Student Incentive Scholarship Program shall be administered in compliance with federal financial aid regulations and the Internal Revenue Code.

(2) Payments shall be made directly to the recipient's University of Vermont student financial services account.

(3) The full terms and conditions of the award shall be described in the award contract or promissory note and shall be binding once the contract or note is fully executed.

(4) AHEC and VSAC shall enter into a memorandum of understanding establishing their respective responsibilities for administering the Medical Student Incentive Scholarship Program. The memorandum of understanding shall be subject to the approval of the Department of Health.

(e)(1) The Commissioner of Health, in consultation with AHEC and VSAC, may establish additional recipient eligibility criteria, selection criteria, award terms and conditions, and evidence-based best practices to meet the purposes of the Medical Student Incentive Scholarship Program on an annual basis to best respond to Vermont's needs for physician workforce and access to health care.

(2) The Commissioner of Health may adopt rules in accordance with 3 V.S.A. chapter 25 in order to plan, implement, maintain, and evaluate the Medical Student Incentive Scholarship Program established in this section.

Sec. E.311.2 2020 Acts and Resolves No. 155, Sec. 7a is amended to read:

Sec. 7a. SUNSET

18 V.S.A. § 33 (medical students; primary care) is repealed on July 1, 2022 2027.

Sec. E.311.3 EDUCATIONAL ASSISTANCE; MEDICAL STUDENT INCENTIVE SCHOLARSHIP PROGRAM; APPROPRIATION

(a) Of the Global Commitment funds appropriated in Sec. B.311 of this act to the Department of Health, the sum of \$2,272,727 shall be transferred to Vermont Student Assistance Corporation in fiscal year 2022 for use as follows:

(1) \$1,035,957 in Global Commitment funds for scholarships for nursing students in accordance with the provisions set forth in 2020 Acts and Resolves No.155, Sec. 5; and

(2) \$1,236,770 in Global Commitment funds for scholarships for medical students who commit to practicing primary care in this State in accordance with 18 V.S.A. § 33, as amended by this act. The Medical Student Incentive funds shall be available for distribution following approval of the initial memorandum of understanding between the Office of Primary Care and Area Health Education Centers Program at the University of Vermont College of Medicine (AHEC) and the Vermont Student Assistance Corporation (VSAC).

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) AIDS/HIV funding.

(1) In fiscal year 2022, and as provided in this section, the Department of Health shall provide grants in the amount of \$475,000 in AIDS Medication Rebates special funds to the Vermont AIDS service and peer-support organizations for client-based support services. The Department of Health AIDS Program shall meet at least quarterly with the Community Advisory Group (CAG) with current information and data relating to service initiatives.

The funds shall be allocated according to an RFP process.

(2) Ryan White Title II funds for AIDS services and the Vermont Medication Assistance Program (VMAP) shall be distributed in accordance with federal guidelines. The federal guidelines shall not apply to programs or services funded solely by State general funds.

(3)(A) The Secretary of Human Services shall immediately notify the Joint Fiscal Committee if at any time there are insufficient funds in VMAP to assist all eligible individuals. The Secretary shall work in collaboration with persons living with HIV/AIDS to develop a plan to continue access to VMAP medications until such time as the General Assembly can take action.

(B) As provided in this section, the Secretary of Human Services shall work in collaboration with the VMAP Advisory Committee, which shall be composed of not less than 50 percent of members who are living with HIV/AIDS. If a modification to the program's eligibility requirements or benefit coverage is considered, the Committee shall make recommendations regarding the program's formulary of approved medication, related laboratory testing, nutritional supplements, and eligibility for the program.

(4) In fiscal year 2022, the Department of Health shall provide grants in the amount of \$100,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for community-based HIV prevention programs and services. These funds shall be used for HIV/AIDS prevention purposes, including syringe exchange programs; improving the availability of confidential and anonymous HIV testing; prevention work with at-risk groups such as women, intravenous drug users, and people of color; and anti-stigma campaigns. Not more than 15 percent of the funds may be used for the administration of such services by the recipients of these funds. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health and the Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers.

(5) In fiscal year 2022, the Department of Health shall provide grants in the amount of \$150,000 in general funds to Vermont AIDS service organizations and other Vermont HIV/AIDS prevention providers for syringe exchange programs. The method by which these prevention funds are distributed shall be determined by mutual agreement of the Department of Health, the Vermont AIDS service organizations, and other Vermont HIV/AIDS prevention providers. The performance period for these grants will be State fiscal year 2022. Grant reporting shall include outcomes and results.

(6) In fiscal year 2022, the Department of Health shall not reduce any grants to the Vermont AIDS service and peer-support organizations from funds appropriated for AIDS/HIV services to levels below those in fiscal year 2020 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.318 EDUCATIONAL AND EXPERIENTIAL VARIANCE

(a) For individuals operating or employed in a registered family child care home or as a director or teacher associate in a center-based program for 10 or more years prior to September 1, 2016, the Commissioner for Children and Families or designee may issue a variance to the Child Development Division's rule regarding educational and experiential requirements to allow an individual to maintain employment in that same role regardless of whether the family child care provider, family child care assistant, director, or teacher associate intends to attain the otherwise necessary educational requirements. To be eligible for a variance, the family child care provider, family child care assistant, director, or teacher associate shall:

(1) work continuously in a regulated program with a full license in good standing; and

(2) meet the Division's educational and experiential requirements in place prior to the adoption of the new rule, which was effective beginning on September 1, 2016.

(b) The Commissioner or designee shall review any violation occurring in a regulated program where a family childcare provider, family child care assistant, director, or teacher associate is under variance and may revoke the variance granted by this section depending upon the seriousness and circumstances of the violation.

(c) Any variance granted under this section shall be terminated on July 1, 2024, and extensions shall not be granted beyond that date.

Sec. E.318.1 DEPARTMENT FOR CHILDREN AND FAMILIES;
SPECIALIZED CHILD CARE TRANSPORTATION

(a) It is the intent of the General Assembly that there be no reduction in specialized childcare transportation services provided by the Department for Children and Families resulting from a statewide transportation contract. Should a more cost-effective, coordinated system of specialized child care transportation not be attainable by the move to a statewide contract in fiscal year 2022, the program shall revert to a commensurate base funding level and program parameters that were in place during fiscal year 2021. Any changes to transportation services shall not decrease the expeditious authorization of services to families.

(b) On or before November 1, 2021, the Department for Children and Families shall submit a written report to the House Committees on Appropriations and on Human Services; and the Senate Committees on Appropriations and on Health and Welfare outlining the outcome of the statewide transportation Request for Proposal regarding transportation services. The report shall identify the average number of children served under the Specialized Transportation Services program by region in fiscal year 2021 and the average number of number of children served under the Specialized Transportation Services program by region in July, August, and September 2021.

Sec. E.318.2 CHILD CARE PROVIDER STABILIZATION GRANTS

(a) Of the funds provided in fiscal year 2022 in Sec. B.318 of this act, \$800,000 is allocated for the purpose of expanding infant and toddler child care capacity.

(b) The Division shall award grants to eligible applicants. An eligible applicant shall:

(1) be a new or existing regulated, privately operated center-based childcare program or family child care home in good regulatory standing;

(2) participate in the Child Care Financial Assistance Program (CCFAP);

(3) provide year-round, full day child care and early learning services;

(4) provide childcare and early learning services for infants and toddlers; and

(5) participate in the Step Ahead Recognition System (STARS).

(c) Center-based childcare program or family child care homes receiving a grant pursuant to this section shall remain in compliance with the Division's rules, continue participation in STARS, and maintain enrollment of children supported by CCFAP.

Sec. E.318.3 AMERICAN RESCUE PLAN ACT OF 2021; CHILD CARE STABILIZATION GRANTS: APPROPRIATION

(a) Of the \$2,600,000 appropriated in Sec. B.318 of this act to the Department for Children and Families Division of Child Development from the federal funds available under the Child Care Development Block Grant funding received by the State pursuant to the American Rescue Plan Act of 2021, Pub. L. No. 117-2, funds shall be allocated as follows:

(1) \$700,000 shall be allocated for current and prospective early childhood provider scholarships programs;

(2) \$1,800,000 shall be allocated for early childhood student loan repayment; and

(3) \$100,000 shall be transferred to Vermont Department of Labor for the pre-apprenticeship program in Early Childhood Education provided by Vermont Career and Technical Education centers.

(b) Notwithstanding 32 V.S.A. § 5, funds from the American Rescue Plan Act of 2021 Child Care Stabilization Grants Fund shall be deposited into the State Treasury and are hereby accepted and shall be spent subject to appropriation. Excess receipts authority may be granted only in the event that the appropriation in subsection (a) of this section is not sufficient to support childcare providers prior to the fiscal year 2022 budget adjustment process and the funds are used consistent with an approved plan required to be presented to the Joint Fiscal Committee on or before September 1, 2021 in legislation enacted during the 2021 legislative session.

(c) The Department for Children and Families shall consider statewide child care system capacity needs in its use of the Child Care Development Block Grant funds to expand statewide capacity. The Department shall report in January 2022 to the General Assembly on capacity grants issued to expand existing programs or establish new programs, or both.

Sec. E.321 GENERAL/EMERGENCY ASSISTANCE HOUSING

(a) Funds appropriated to the Department for Children and Families in the General/Emergency Assistance program in fiscal year 2022 shall be used to provide emergency housing in accordance with program rules waived or varied under 2021 Acts and Resolves No. 6, Sec. 1. The purpose of emergency housing is to ensure short-term housing for vulnerable segments of the population experiencing homelessness and housing insecurity to the extent that such housing does not exceed hotel room and motel room capacity within the State and expenditures for such housing do not exceed available State and federal funds. The assistance provided under this section is not an entitlement and may be discontinued upon the expenditure of the appropriated funds.

(b) During the COVID-19 pandemic, the Department for Children and Families temporarily expanded eligibility for emergency housing through the General/Emergency Assistance program in response to the public health emergency. The General Assembly and the Administration acknowledge that this approach is neither financially nor programmatically sustainable. The Commissioner for Children and Families, in consultation with the emergency housing working group established by the House Appropriations Committee, has identified and shall implement new emergency housing eligibility criteria. The new eligibility criteria shall remain in effect for the duration of fiscal year

2022 unless there is a need to expand eligibility in response to a public health emergency or other emergency.

(c) The Commissioner for Children and Families may, by policy, provide emergency housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.321.1 HOUSING ASSISTANCE BENEFITS FLEXIBILITY
PROGRAM; COMMUNITY BASED ALTERNATIVES TO
GENERAL ASSISTANCE EMERGENCY HOUSING

(a) For fiscal year 2022, the Department for Children and Families may continue to fund housing assistance programs within the General Assistance program to create flexibility to provide General Assistance benefits, as well as grants to support the establishment of community-based alternatives for temporary housing as part of the effort to reduce the number of individuals temporarily housed by the General Assistance program. The purpose of these housing assistance programs and community-based alternatives is to mitigate poverty and serve applicants more effectively than they are currently being served with General Assistance funds. Eligible activities shall include, among other things, the provision of shelter, overflow shelter, case management, transitional housing, deposits, down payments, rental assistance, upstream prevention, and related services that ensure that all Vermonters have access to shelter, housing, and the services they need to become safely housed. The Department may award grants to homeless and housing service providers for eligible activities. Where such housing assistance programs and grants are provided and community-based programs are established, the General Assistance rules shall not apply. The assistance provided under this section is not an entitlement and may be discontinued should there not be sufficient funds.

Sec. E.321.2 EMERGENCY HOUSING WORKGROUP

(a) The Department for Children and Families shall continue to use the General Assistance Emergency Housing Workgroup, convened in March 2021, to make recommendations to the Commissioner for Children and Families on the design and implementation of a sustainable, long-term plan for providing emergency housing for fiscal year 2023 that reduces or ends reliance, or both, on the General/Emergency Assistance Motel Voucher Program. This workgroup shall consider investments needed to build local capacity to support emergency housing needs, which may include funding, training, technical assistance, and planning support. The Department for Children and Families and Workgroup shall also consider the Governor's proposed permanent housing initiative when developing its recommendations.

(b) On or before November 1, 2021, the Department for Children and Families shall submit a written report to the House Committees on Appropriations, on General, Housing, and Military Affairs, and on Human Services and the Senate Committees on Appropriations and on Health and Welfare with recommendations on the development of a sustainable, long-term plan for emergency housing.

(c) The Department shall continue to engage interested local and statewide parties, including the Continua of Care, service providers, people with lived experience, and representatives of Vermont's health care system, in the design, implementation, and evaluation of housing assistance programs and community-based alternatives to General/Emergency Assistance emergency housing.

Sec. E.321.3 IMPLEMENTATION OF THE REPORT

(a) The Department for Children and Families shall implement the identified sustainable housing plan on July 1, 2022 in line with recommendations made in the November 1, 2021 written report. The Department for Children and Families shall take into consideration steps necessary to ensure an effective and efficient transition that reduces or ends reliance, or both on the General/Emergency Assistance Motel Voucher Program effective June 30, 2022.

Sec. E.323 REACH UP – FISCAL YEAR 2022 ONE-TIME USE OF UNDERUTILIZED FUNDS

(a) To the extent that funds appropriated to the Reach Up program in fiscal year 2022 are not encumbered or expended, or both, in fiscal year 2022, funds shall carry forward and be used for a one-time payment to participating families in fiscal year 2023. The Department for Children and Families shall report to the Joint Fiscal Committee at its September 2022 meeting on the status of funds available and timing of one-time payments to participating families.

E.323.1 33 V.S.A. § 1103 is amended to read:

§ 1103. ELIGIBILITY AND BENEFIT LEVELS

* * *

(c) The Commissioner shall adopt rules for the determination of eligibility for the Reach Up program and benefit levels for all participating families that include the following provisions:

* * *

~~(9) The amount of \$77.00 of the Supplemental Security Income payment received by a parent excluding payments received on behalf of a child shall count toward the determination of the amount of the family's financial assistance grant. [Repealed.]~~

* * *

Sec. E.324 EXPEDITED CRISIS FUEL ASSISTANCE

(a) The Commissioner for Children and Families or designee may authorize crisis fuel assistance to those income-eligible households that have applied for an expedited seasonal fuel benefit but have not yet received it if the benefit cannot be executed in time to prevent them from running out of fuel. The crisis fuel grants authorized pursuant to this section count toward the one crisis fuel grant allowed per household for the winter heating season pursuant to 33 V.S.A. § 2609(b).

Sec. E.324.1 INTENT; AMERICAN RESCUE PLAN ACT; LOW
INCOME HOME ENERGY ASSISTANCE PROGRAM
FUNDS

(a) It is the intent of the General Assembly that 15 percent of the funds received by the Department for Children and Families pursuant to the American Rescue Plan Act for the Low Income Home Energy Assistance Program be used to support the Home Weatherization Program and that \$5,000,000 be used for heating system or tank replacement initiatives. Cold climate heat pumps, where appropriate, shall be included as a fundable item in the weatherization allocation.

Sec. E.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, \$6,699,440 shall be granted to community agencies for homeless assistance by preserving existing services, increasing services, or increasing resources available statewide. These funds may be granted alone or in conjunction with federal Emergency Solutions Grants funds. Funds shall be administered in consultation with the Vermont Coalition to End Homelessness.

Sec. E.326 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE
OF ECONOMIC OPPORTUNITY – WEATHERIZATION
ASSISTANCE

(a) Of the Special Fund appropriation in Sec. B.326 of this act, \$750,000 is for the replacement and repair of home heating equipment.

Sec. E.327 REPEAL

33 V.S.A. chapter 58 (Woodside Juvenile Rehabilitation Center) is repealed.

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS
TRANSFER; JUSTICE REINVESTMENT; REPORT

(a) In fiscal year 2022, the Secretary of Administration may, upon recommendation of the Secretary of Human Services, transfer unexpended funds between the respective appropriations for correctional services; provided, however, that no transfer shall be made from correctional services out-of-state beds. At least three days prior to any such transfer being made, the Secretary of Administration shall report the intended transfer to the Joint Fiscal Office and shall report any completed transfers to the Joint Fiscal Committee at its next scheduled meeting.

(b) In fiscal year 2022, any unexpended funds for correctional services out-of-state beds shall be carried forward to fiscal year 2023, and the amount reported to the Joint Legislative Justice Oversight Committee in September 2022, to support community-based service programs. Funds may only be expended on community-based service programs upon approval of the Joint Legislative Justice Oversight Committee. Prior to approval, the House Committees on Appropriations and on Corrections and Institutions and the Senate Committees on Appropriations and on Judiciary shall be notified of any proposed expenditures on community based service programs.

Sec. E.335.1 CORRECTIONAL OFFICERS; BODY-WORN CAMERA
POLICY AND DEPLOYMENT

(a) Deployment. The Department of Corrections shall not deploy body-worn cameras until it adopts a policy on their use, including the storage and retention of records, and trains its staff in accordance with the policy.

(b) Policy development. In developing the policy as required by this section, the Department shall:

(1) consider the implications of:

(A) the offender programming it provides; and

(B) the collective bargaining agreement it operates under; and

(2) consult with the Vermont Criminal Justice Council, the America Civil Liberties Union, the Prisoner's Rights Office, the Human Rights Commission, the Vermont State Employees' Association, statewide groups representing individuals with lived experience of incarceration, and any other stakeholder group as determined by the Department.

(c) Reports.

(1) The Department shall provide a progress report to the Joint Legislative Justice Oversight Committee on or before September 15, 2021 on the status of the policy development.

(2) On or before January 15, 2022, the Department shall present to the House Committee on Corrections and Institutions, the Senate Committee on Judiciary, and the House and Senate Committees on Government Operations its policy regarding the use of body-worn cameras for correctional officers.

(d) Funding. The Department shall identify the ongoing cost and funding source for the use of body-worn cameras, including training, data storage, and redaction, and report these findings to the Joint Fiscal and the Joint Legislative Justice Oversight Committees on or before September 15, 2021. The Department shall provide a report to the House and Senate Committees on Appropriations on or before February 15, 2022 on the status of its deployment of body-worn cameras for correctional officers.

Sec. E.337 [Deleted]

Sec. E.338 CORRECTIONS - CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation in Sec. B.338 in the amount of \$152,000 for the supplemental facility payments to Newport and Springfield shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * K-12 Education * * *

Sec. E.500 Education – finance and administration

(a) The Global Commitment funds appropriated in Sec. B.500 of this act shall be used for physician claims for determining medical necessity of Individualized Education Programs (IEPs). These services are intended to increase access to quality health care for uninsured persons, underinsured persons, and Medicaid beneficiaries.

Sec. E.501 AGENCY OF EDUCATION; PANDEMIC RESPONSE AND RECOVERY; APPROPRIATION OF ESSER I, II, AND III FUNDS

(a) Purpose. The purpose of Secs. E 501.1 – 501.3 of this act is to appropriate or allocate federal Elementary and Secondary School Emergency Relief (ESSER) funds, to the extent permitted by federal law and guidance, to respond to the COVID-19 pandemic and strategically plan to support Vermont’s learning communities as the State moves into a recovery phase.

Sec. E.501.1 RETROCATIVE AUTHORIZATION AND APPROPRIATION OF ESSER I FUNDS

(a) ESSER I funds. The following sums are appropriated to the Agency of Education in fiscal year 2021 from the ESSER funds provided to the State pursuant to Section 18003 of Division B of the Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136 (CARES Act); a portion of the funds may be expended in fiscal year 2020 consistent with the terms of the grant acceptance, and any unexpended amounts may be carried forward to fiscal years 2022 and after:

(1) \$953,021 for software tools to assist with the response to the COVID-19 pandemic;

(2) \$2,006,074 for learning management assistance, including remote learning supports and materials; and

(3) \$155,741 for administrative and personnel costs.

Sec. E.501.2 ALLOCATION OF ESSER II AND ESSER III FUNDS

(a) ESSER II funds. Of the federal funds appropriated in Sec. B.501 of this act, \$5,197,336 is from the ESSER funds provided to the State pursuant to Section 313 of the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, Pub. L. No. 116-260 and shall be allocated as follows:

(1) \$4,434,969 for grants to summer and afterschool programs; and

(2) \$634,867 for administrative and personnel costs.

(b) ESSER III funds. The federal funds appropriated in Sec. B.501 of this act, shall be allocated as follows:

(1) \$1,000,000 from the ESSER funds provided to the State pursuant to Sec. 2001(f) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 to address emerging State-level needs; and

(2) \$1,425,821 from the ESSER funds provided to the State pursuant to Sec. 2001(f)(4) of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 for administrative and personnel costs.

(c) ESSER funds appropriated in Sec. B.501 of this act may be carried forward to future fiscal years if unexpended in fiscal year 2022.

Sec. E.501.3 AGENCY OF EDUCATION; ESSER III FUND PLAN; CONTINGENT APPROPRIATIONS

(a) The Agency of Education shall develop a plan for the expenditure of the ESSER funds made available to the State pursuant to Section 2001 of the

American Rescue Plan Act (ARPA), as required by the U.S. Department of Education's interim final rule published April 22, 2021. On or before July 31, 2021, the Secretary of Education shall submit the proposed plan to the House and Senate Committees on Education for their review prior to submitting the plan to the U.S. Department of Education.

(b)(1) The following sums are appropriated from the ESSER III funds to the Agency of Education in fiscal year 2022, from which the Agency may make expenditures subject to the approval of each proposed expenditure by the Joint Fiscal Committee and the Chairs of the House and Senate Committees on Education at one or more meetings of the Joint Fiscal Committee held prior to January 5, 2022:

(A) \$3,000,000 for regional capacity grants to address students' social, emotional, and mental health needs;

(B) \$3,000,000 to address academic needs related to remote learning and supports, including addressing student loss, supporting student engagement, and providing learning enrichment opportunities; and

(C) \$1,000,000 for educator workforce development.

(2) To the extent that the funds appropriated in this subsection are not fully obligated or expended by January 5, 2022, the remainder shall be held for appropriation during the 2022 legislative session.

Sec. E.502 Education – special education; formula grants

(a) Of the appropriation authorized in Sec. B.502 of this act and notwithstanding any other provision of law, an amount not to exceed \$3,966,265 shall be used by the Agency of Education in fiscal year 2022 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary shall not be limited by the restrictions contained within 16 V.S.A. § 2969(c) and (d).

Sec. E.503 Education – State-placed students

(a) The Independence Place Program of the Lund Family Center shall be considered a 24-hour residential program for the purposes of reimbursement of education costs.

Sec. E.504.1 Education – flexible pathways

(a) Of the appropriation in Sec. B.504 of this act, \$2,100,000 from the Education Fund shall be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding 16 V.S.A. § 4025(b), of this Education Fund appropriation, the amount of:

(1) \$921,500 is available for dual enrollment programs, notwithstanding 16 V.S.A. § 944(f)(2);

(2) \$1,800,000 is available to support the Vermont Virtual High School;

(3) \$400,000 is available for secondary school reform grants;

(4) \$500,000 is available for the Vermont Academy of Science and Technology; and

(5) \$2,500,000 is available for Early College pursuant to 16 V.S.A. § 4011(e).

(c) Of the appropriation in Sec. B.504.1, \$921,500 from the General Fund is available for dual enrollment programs.

Sec. E.514 State teachers' retirement system

(a) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the State Teachers' Retirement System (STRS) shall be \$196,206,504 of which \$189,646,629 shall be the State's contribution and \$6,559,875 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944c.

(b) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, \$38,901,533 is the "normal contribution," and \$157,304,971 is the "accrued liability contribution."

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), \$35,093,844 shall be contributed to the Retired Teachers' Health and Medical Benefits plan.

Sec. E.515.1 [Deleted.]

Sec. E.515.2 [Deleted.]

Sec. E.515.3 REPORT ON NORMAL COSTS AND OTHER CHARGES TO BE PART OF SCHOOL BUDGETS.

(a) On or before January 15, 2022, the Treasurer shall submit a report to the General Assembly on the following:

(1) the feasibility of moving the normal costs expenses from the Education Fund to local education agencies.

(2) assessing federal grants for the normal costs of these benefits in a manner currently charged for teacher pensions whose funding is provided from federal grants or through federal reimbursement pursuant to § 1944c.

(3) reimbursement for employer health care benefits through the Elementary and Secondary School Emergency Relief Fund.

* * * Higher Education * * *

Sec. E.600 University of Vermont

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.600 of this act to the University of Vermont on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$380,326 shall be transferred to EPSCoR (Experimental Program to Stimulate Competitive Research) for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602 Vermont State Colleges

(a) The Commissioner of Finance and Management shall issue warrants to pay 1/12 of the appropriation in Sec. B.602 of this act to the Vermont State Colleges on or about the 15th day of each calendar month of the year.

(b) Of this appropriation, \$427,898 shall be transferred to the Vermont Manufacturing Extension Center for the purpose of complying with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

Sec. E.602.1. 16 V.S.A. § 2187 is added to read:

§ 2187 PROPERTY TRANSACTIONS

Any sale, lease, demolition, or disposal of property by the Vermont State Colleges Corporation shall comply with the requirements of 32 V.S.A. § 962.

Sec. E.602.2 VERMONT STATE COLLEGES

(a) The Vermont State College (VSC) system shall transform itself into a fully integrated system that achieves financial stability in a responsible and sustainable way in order to meet each of these strategic priorities:

(1) Affordability. Ensure that student costs and debt obligations are not barriers to student access.

(2) Accessibility. Ensure that each VSC student, regardless of where the student's home campus is located, has increased access to academic opportunities, majors and courses across the statewide system.

(3) Relevance.

(A) Ensure that each VSC student is prepared for a lifelong career and personal success in the globally-competitive 21st century.

(B) Ensure that VSC offers educational programs that are:

(i) aligned with State workforce needs;

(ii) offered in a fiscally responsible manner; and

(iii) delivered in a manner that is relevant to current student and employer needs.

(b) VSC shall meet the following requirements during the transformation of its system required under subsection (a) of this section and shall accommodate the oversight of the General Assembly in so doing.

(1) VSC shall reduce its structural deficit by \$5,000,000 per year for five years through a combination of annual operating expense reductions and increased enrollment revenues, for a total of \$25,000,000 by the end of fiscal year 2026. These reductions shall be structural in nature and shall not be met by use of one-time funds. The VSC Board of Trustees, through the Chancellor or designee, shall report the results of these structural reductions to the House and Senate Committees on Education and on Appropriations annually during the Chancellor's budget presentation.

(2) The VSC Board of Trustees shall develop and implement a 10-year strategic plan for managing its physical assets that is fiscally sustainable, maintains reasonable net asset value, and meets the needs of Vermont learners. On or before March 1, 2022, the Chancellor shall present this Board approved plan to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(3) VSC shall maintain its present campus locations as educational and student-support centers, recognizing that overall campus size, governance and operational structures as well as program and service offerings may change as circumstances require.

(4) Beginning in fiscal year 2022 and through 2031, the VSC Board of Trustees, acting through the Chancellor or designee, shall brief, as part of the Chancellor's annual budget proposal, the House and Senate Committees on Education and Committees Appropriations:

(A) enrollment levels in courses offered by VSC, reported on the basis of courses with fewer than five students, courses with five to nine students, courses with 10 to 14 students, and courses with 15 or more students, along with relevant information about these enrollment data;

(B) in order to demonstrate accessibility, the percentage of courses and programs offered by VSC on a statewide basis and on the formats in which they are offered;

(C) an assessment of affordability and accessibility within VSC and recommendations on how to improve them;

(D) retention statistics with corresponding trend lines and benchmarks;

(E) enrollment statistics with methods of comparison using readily available metrics that pertain to the student enrollment efforts authorized by the fiscal year 2022 Vermont budget bill with the net student revenue generated and discount rate applied in order to enroll the students, aggregated by cohort; and

(F) demographics of student enrollments aggregated by full-time and part-time students.

(5) To help optimize student opportunities, VSC shall complete implementation of seamless general education credit transfer between all of its constituent institutions by the end of fiscal year 2023.

(6) To ensure that VSC is meeting its responsibilities to Vermont businesses and communities, beginning in fiscal year 2022, the VSC Board of Trustees, through the Chancellor or designee, shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs, as part of the Chancellor's annual budget presentation, on advances in workforce readiness and meeting employer needs, including:

(A) employer and institutional partnerships with VSC;

(B) progress in meeting critical employer needs; and

(C) the number of degrees and credentials of value awarded.

(7) The VSC Board of Trustees, through the Chancellor or designee, shall provide, in a summary form, to the House and Senate Committees on Education and the House and Senate Committees on Appropriations, as part of the Chancellor's annual budget presentation, VSC's profit and loss statement based upon its annual October financial statement.

(8) The Chancellor shall ensure all VSC Board of Trustees policies are adhered to unless a process for an exception to a Board policy is used to situationally and temporarily amend a specific Board policy. The Chancellor shall establish policies and procedures to implement the Board approved transformation plan as developed by the Select Committee on Higher Education. The Chancellor shall report the status or progress of these Board policies, as part of the Chancellor's annual budget presentation, to the House and Senate Committees on Education.

(9) The Chancellor shall report by institution the overall net student revenue and institutional discounting of tuition metrics with relevant trends.

(10) Regarding the deficit reduction plan, the Chancellor shall report the activities that have generated expense cuts, and activities that will result in enhanced revenues, as well as future plans that will continue both efforts. The Chancellor, on behalf of the Vermont State College System, shall offer methods of comparison using readily available metrics in order to provide relevant information to help the General Assembly carry out its oversight role.

Sec. E.603 Vermont State Colleges – Allied Health

(a) If Global Commitment fund monies are unavailable, the total grant funding for the Vermont State Colleges shall be maintained through the General Fund or other State funding sources.

(b) The Vermont State Colleges shall use the Global Commitment funds appropriated in Sec. B.603 of this act to support the dental hygiene, respiratory therapy, and nursing programs that graduate approximately 315 health care providers annually. These graduates deliver direct, high-quality health care services to Medicaid beneficiaries or uninsured or underinsured persons.

Sec. E.605 Vermont student assistance corporation

(a) Of the appropriation in B.605 of this act, \$25,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation (VSAC) to be deposited into the Trust Fund established in 16 V.S.A. § 2845.

(b) Of the appropriated amount remaining after accounting for subsection (a) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(c) Of the total one-time funds appropriated in this act to VSAC, an amount up to six percent, but not to exceed \$100,000 in a fiscal year, may be used for staff expenses associated with administering the funds. Funds shall not be used for indirect costs.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Notwithstanding 16 V.S.A. § 4025(b), the sum of \$41,225 in education funds and \$41,225 in general funds is appropriated to the Vermont Student Assistance Corporation (VSAC) for dual enrollment and need-based stipend purposes to fund a flat-rate, need-based stipend or voucher program for financially needy students enrolled in a dual enrollment course pursuant to 16 V.S.A. § 944 or in early college pursuant to 16 V.S.A. § 946 to be used for the purchase of books, cost of transportation, and payment of fees. VSAC shall establish the criteria for program eligibility. Funds shall be granted to

eligible students on a first-come, first-served basis until funds are depleted.

(b) VSAC shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and to the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs on or before January 15, 2022.

Sec. E.709 10 V.S.A. § 1283 is amended to read:

§ 1283. CONTINGENCY FUND

* * *

(b) Disbursements under this subsection may be made for emergency purposes or to respond to other than emergency situations; provided, however, that disbursements in response to an individual situation that is not an emergency situation shall not exceed ~~\$100,000.00 for costs attributable to each of the subdivisions of this subsection~~ \$350,000.00 for a response to a release of a hazardous material, unless the Secretary has received the approval of the General Assembly, or the Joint Fiscal Committee, in case the General Assembly is not in session. Furthermore, the balance in the Fund shall not be drawn below the amount of \$100,000.00, except in emergency situations. If the balance of the Fund becomes insufficient to allow a proper response to one or more emergencies that have occurred, the Secretary shall appear before the Emergency Board, as soon as possible, and shall request that necessary funds be provided. Within these limitations, disbursements from the Fund may be made:

* * *

Sec. E.709.1 ENVIRONMENTAL CONTINGENCY FUND;
POLYCHLORINATED BIPHENYLS (PCBs) TESTING IN
SCHOOLS

(a) Notwithstanding 10 V.S.A. § 1283, of the funds transferred in Sec. D.101(a) of this act to the Environmental Contingency Fund, the Department of Environmental Conservation, in consultation with the Department of Health and the Agency of Education, shall use up to \$4,500,000 to complete air indoor quality testing for Polychlorinated Biphenyls (PCBs) in public schools and approved and recognized independent schools that were constructed or renovated before 1980. All schools subject to this subsection shall test for PCBs on or before July 1, 2024. It is the intent of the General Assembly to develop additional guidance during the 2022 legislative session.

Sec. E.709.2 10 V.S.A. § 1283(g)(3) is amended to read:

(3) "Release" means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying,

dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in a building or structure.

Sec. E.709.3 10 V.S.A. § 6602(17) is amended to read:

(17) “Release” means any intentional or unintentional action or omission resulting in the spilling, leaking, pumping, pouring, emitting, emptying, dumping, or disposing of hazardous materials into the surface or groundwaters, or onto the lands in the State, or into waters outside the jurisdiction of the State when damage may result to the public health, lands, waters, or natural resources within the jurisdiction of the State. “Release” also means the intentional or unintentional action or omission resulting in the spilling, leaking, emission, or disposal of polychlorinated biphenyls (PCBs) from building materials in a building or structure.

* * * Vermont Housing Finance Agency; Weatherization * * *

Sec. E.802 10 V.S.A. § 621 is amended to read:

§ 621. GENERAL POWERS AND DUTIES

The Agency shall have all of the powers necessary and convenient to carry out and effectuate the purposes and provisions of this chapter, including those general powers provided a business corporation by 11A V.S.A. § 3.02 and those general powers provided a nonprofit corporation by 11B V.S.A. § 3.02 and including, without limiting the generality of the foregoing, the power to:

* * *

(22) issue bonds, notes, and other obligations secured by the property transfer tax revenues transferred to the Agency pursuant to 32 V.S.A. §9610(d); and

(23) develop a program to finance and promote housing weatherization using funds appropriated by the State, funds generated through issuing bonds, notes and other obligations of the Agency, and funds from other sources obtained through grants or other arrangements, giving priority to programs benefiting persons and families at or below 120 percent of median income with high energy burdens and to programs to expand the pool of qualified weatherization contractors in the State.

* * * Transportation * * *

Sec. E.900 NOTIFICATION OF USE OF AMERICAN RESCUE PLAN
ACT (ARPA) FUNDS BY THE VERMONT AGENCY OF
TRANSPORTATION

(a) The Secretary of the Agency of Transportation shall provide a written report to the Joint Fiscal Committee prior to utilizing ARPA funds in place of funds appropriated in the fiscal year 2022 budget. The written report is for informational purposes and will not require Joint Fiscal Committee approval. If the substitutions are included in the Administration's recommended fiscal year 2022 Budget Adjustment bill, a separate written report of these substitutions shall be submitted to the House and Senate Committees on Appropriations as part of the testimony on the budget adjustment.

Sec. E.915 TRANSPORTATION – TOWN HIGHWAY AID PROGRAM

(a) The total appropriation in Secs. B.915 and B.1104(a)(1)(B) of this act is authorized, notwithstanding the provisions of 19 V.S.A § 306(a).

* * * Collective Bargaining Agreements; Fiscal Year 2022 * * *

Sec. F.100 COLLECTIVE BARGAINING AGREEMENTS; FISCAL YEAR
2022

(a) This act fully funds the collective bargaining agreements between the State and the Vermont State Employees' Association and the State and the Vermont Troopers' Association for the period of July 1, 2021 through June 30, 2022. These collective bargaining agreements provide in fiscal year 2022 an average 1.9 percent step increase and 2.25 percent across-the-board increase for a total of 4.15 percent increase.

* * * Executive Branch; Exempt Employees; Fiscal Year 2022 * * *

Sec. F.101 EXECUTIVE BRANCH; EXEMPT EMPLOYEES;
PERMITTED SALARY INCREASES; FISCAL YEAR 2022

(a) Exempt employees in the Executive Branch may receive salary increases not to exceed the average rate of adjustment available to classified employees, which is 4.15 percent, in fiscal year 2022 beginning on July 4, 2021.

(b) The permitted increases set forth in subsection (a) of this section are consistent with the collective bargaining agreement between the State and the Vermont State Employees' Association for classified employees in the Executive Branch for fiscal year 2022.

Sec. F.102 EXECUTIVE BRANCH; EXEMPT AGENCY AND
DEPARTMENT HEADS, DEPUTIES, AND EXECUTIVE
ASSISTANTS; ANNUAL SALARY ADJUSTMENT AND
SPECIAL SALARY INCREASE OR BONUS

(a) For purposes of determining annual salary adjustments, special salary increases, and bonuses under 32 V.S.A. §§ 1003(b) and 1020(b), “the average rate of adjustment available to classified employees under the collective bargaining agreement” shall be, in fiscal year 2022, 4.15 percent.

Sec. F.103 32 V.S.A. § 1020 is amended to read:

§ 1020. SALARY ADJUSTMENT; APPROVAL OF GOVERNOR

(a) Compensation to be paid any officer or employee within the Executive Branch of State government shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate, subject to any applicable statutory limits, other than:

(1) an employee in the classified service;

(2) a member of the uniformed State Police within the Department of Public Safety; or

(3) an officer or employee whose compensation is specifically fixed by statute, ~~shall be determined at the time the officer or employee is hired by the Governor or such person as the Governor shall designate subject to any applicable statutory limits.~~

(b)(1) Annually, subject to any applicable statutory salary limits, the Governor may grant annual salary adjustments to exempt employees who are deputies or executive assistants to department heads or are deputies or executive assistants to agency secretaries. The annual salary adjustment granted to any officer under this subsection shall not exceed the average ~~of the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(2) In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase or a bonus to any such officer whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average ~~of the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(c)(1) The Governor may establish one or more compensation plans for other exempt employees ~~which that~~ provide for adjustments in salary based on changes in the duties performed, seniority, or other objective factors ~~which that~~

the ~~governor~~ Governor finds to be appropriate.

(2) The Governor may extend to such employees any adjustments to compensation not to exceed those available to classified employees provided under the collective bargaining agreement then in effect.

* * * Executive Branch; Miscellaneous Statutory Salaries;
Fiscal Year 2022 * * *

Sec. F.104 32 V.S.A. § 1003 is amended to read:

§ 1003. STATE OFFICERS

(a) Each elective officer of the Executive Department is entitled to an annual salary as follows:

	<u>Annual Salary as of July 7, 2019</u>	<u>Annual Salary as of January 5, 2020</u>	<u>Annual Salary as of July 4, 2021</u>
Governor	\$181,661	\$184,113	<u>\$191,754</u>
Lieutenant Governor	77,112	78,153	<u>81,396</u>
Secretary of State	115,190	116,745	<u>121,590</u>
State Treasurer	115,190	116,745	<u>121,590</u>
Auditor of Accounts	115,190	116,745	<u>121,590</u>
Attorney General	137,898	139,790	<u>145,591</u>

(b) The Governor may appoint each officer of the Executive Branch listed in this subsection at a starting salary ranging from the base salary stated for that position to a salary that does not exceed the maximum salary unless otherwise authorized by this subsection. The maximum salary for each appointive officer shall be 50 percent above the base salary. Annually, the Governor may grant to each of those officers an annual salary adjustment subject to the maximum salary. The annual salary adjustment granted to officers under this subsection shall not exceed the average ~~of the total~~ rate of adjustment available to classified employees under the collective bargaining agreement then in effect. In addition to the annual salary adjustment specified in this subsection, the Governor may grant a special salary increase subject to the maximum salary, or a bonus, to any officer listed in this subsection whose job duties have significantly increased, or whose contributions to the State in the preceding year are deemed especially significant. Special salary increases or bonuses granted to any individual shall not exceed the average ~~of the total~~

rate of adjustment available to classified employees under the collective bargaining agreement then in effect.

(1) Heads of the following Departments and Agencies:

	<u>Base Salary as of July 7, 2019</u>	<u>Base Salary as of January 5, 2020</u>	<u>Base Salary as of July 4, 2021</u>
(A) Administration	\$109,849	\$111,332	<u>\$115,952</u>
(B) Agriculture, Food and Markets	109,849	111,332	<u>115,952</u>
(C) Financial Regulation	102,693	104,079	<u>108,398</u>
(D) Buildings and General Services	102,693	104,079	<u>108,398</u>
(E) Children and Families	102,693	104,079	<u>108,398</u>
(F) Commerce and Community Development	109,849	111,332	<u>115,952</u>
(G) Corrections	102,693	104,079	<u>108,398</u>
(H) Defender General	102,693	104,079	<u>108,398</u>
(I) Disabilities, Aging, and Independent Living	102,693	104,079	<u>108,398</u>
(J) Economic Development	93,155	94,413	<u>98,331</u>
(K) Education	109,849	111,332	<u>115,952</u>
(L) Environmental Conservation	102,693	104,079	<u>108,398</u>
(M) Finance and Management	102,693	104,079	<u>108,398</u>
(N) Fish and Wildlife	93,155	94,413	<u>98,331</u>
(O) Forests, Parks and Recreation	93,155	94,413	<u>98,331</u>
(P) Health	102,693	104,079	<u>108,398</u>
(Q) Housing and Community Development	93,155	94,413	<u>98,331</u>
(R) Human Resources	102,693	104,079	<u>108,398</u>
(S) Human Services	109,849	111,332	<u>115,952</u>
(T) Digital Services	109,849	111,332	<u>115,952</u>
(U) Labor	102,693	104,079	<u>108,398</u>

(V) Libraries	93,155	94,413	<u>98,331</u>
(W) Liquor and Lottery	93,155	94,413	<u>98,331</u>
(X) [Repealed.]			
(Y) Mental Health	102,693	104,079	<u>108,398</u>
(Z) Military	102,693	104,079	<u>108,398</u>
(AA) Motor Vehicles	93,155	94,413	<u>98,331</u>
(BB) Natural Resources	109,849	111,332	<u>115,952</u>
(CC) Natural Resources Board Chair	93,155	94,413	<u>98,331</u>
(DD) Public Safety	102,693	104,079	<u>108,398</u>
(EE) Public Service	102,693	104,079	<u>108,398</u>
(FF) Taxes	102,693	104,079	<u>108,398</u>
(GG) Tourism and Marketing	93,155	94,413	<u>98,331</u>
(HH) Transportation	109,849	111,332	<u>115,952</u>
(II) Vermont Health Access	102,693	104,079	<u>108,398</u>
(JJ) Veterans' Home	102,693	104,079	<u>108,398</u>

(2) The Secretary of Administration may include the Director of the Office of Professional Regulation in any pay plans that may be established under the authority of subsection 1020(c) of this title, provided the minimum hiring rate does not fall below a base salary, as of July 7, 2019 of \$78,975.00 and as of January 5, 2020 of \$80,041.00 and as of July 4, 2021 of \$83,363.00.

(3) If the Chair of the Natural Resources Board is employed on less than a full-time basis, the hiring and salary maximums for that position shall be reduced proportionately.

(4) When a permanent employee is appointed to an exempt position, the Governor may authorize such employee to retain the present salary even though it is in excess of any salary maximum provided in statute.

* * *

(d) Notwithstanding the maximum salary established in subsection (b) of this section, the Defender General shall not receive compensation in excess of the compensation established for the Attorney General in this section.

(e) Notwithstanding the maximum salary established in subsection (b) of this section, the maximum salary for the Commissioner of Health ~~may~~ shall

not exceed \$150,000.00.

* * * Judicial Branch; Statutory Salaries; Fiscal Year 2022 * * *

Sec. F.105 32 V.S.A. § 1003(c) is amended to read:

(c) The officers of the Judicial Branch named below shall be entitled to annual salaries as follows:

	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 7,</u> <u>2019</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>January 5,</u> <u>2020</u>	<u>Annual</u> <u>Salary</u> <u>as of</u> <u>July 4,</u> <u>2021</u>
(1) Chief Justice of Supreme Court	\$174,843	\$177,203	<u>\$184,557</u>
(2) Each Associate Justice	66,868	169,121	<u>176,140</u>
(3) Administrative judge <u>Judge</u>	166,868	169,121	<u>176,140</u>
(4) Each Superior judge	158,635	160,777	<u>167,449</u>
(5) [Repealed.]			
(6) Each magistrate	119,609	121,224	<u>126,255</u>
(7) Each Judicial Bureau hearing Officer	119,609	121,224	<u>126,255</u>

Sec. F.106 32 V.S.A. § 1141 is amended to read:

§ 1141. ASSISTANT JUDGES

(a)(1) Each assistant judge of the Superior Court shall be entitled to receive compensation in the amount of ~~\$183.38 a day as of July 7, 2019~~ and \$185.86 a day as of January 5, 2020 and \$193.57 a day as of July 4, 2021 for time spent in the performance of official duties and necessary expenses as allowed to classified State employees. Compensation under this section shall be based on a two-hour minimum and hourly thereafter.

(2)(A) The compensation paid to an assistant judge pursuant to this section shall be paid by the State except as provided in subdivision (B) of this subdivision (2).

(B) The compensation paid to an assistant judge pursuant to this section shall be paid by the county at the State rate established in subdivision (a)(1) of this section when an assistant judge is sitting with a presiding Superior judge in the Civil or Family Division of the Superior Court.

(b) Assistant judges of the Superior Court shall be entitled to receive pay for such days as they attend court when it is in actual session, or during a court recess when engaged in the special performance of official duties.

Sec. F.107 32 V.S.A. § 1142 is amended to read:

§ 1142. PROBATE JUDGES

(a) The Probate judges in the several Probate Districts shall be entitled to receive the following annual salaries, which shall be paid by the State in lieu of all fees or other compensation:

	Annual Salary as of July 7, 2019	Annual Salary as of January 5, 2020	Annual Salary as of July 4, 2021
(1) Addison	\$62,540	\$63,384	<u>\$66,014</u>
(2) Bennington	79,060	80,127	<u>83,452</u>
(3) Caledonia	55,461	56,210	<u>58,543</u>
(4) Chittenden	131,939	133,720	<u>139,269</u>
(5) Essex	15,494	15,703	<u>16,355</u>
(6) Franklin	62,540	63,384	<u>66,014</u>
(7) Grand Isle	15,494	15,703	<u>16,355</u>
(8) Lamoille	43,660	44,249	<u>46,085</u>
(9) Orange	51,919	52,620	<u>54,804</u>
(10) Orleans	50,740	51,425	<u>53,559</u>
(11) Rutland	112,100	113,613	<u>118,328</u>
(12) Washington	86,138	87,301	<u>90,924</u>
(13) Windham	69,620	70,560	<u>73,488</u>
(14) Windsor	94,400	95,674	<u>99,644</u>

(b) Probate judges shall be entitled to be paid by the State for their actual and necessary expenses under the rules and regulations pertaining to classified State employees. The compensation for the Probate judge of the Chittenden District shall be for full-time service.

(c) All Probate judges, regardless of the number of hours worked annually, shall be eligible to participate in all employee benefits that are available to exempt employees of the Judicial Department.

* * * Sheriffs; Statutory Salaries; Fiscal Year 2022 * * *

Sec. F.108 32 V.S.A. § 1182 is amended to read:

§ 1182. SHERIFFS

(a) The sheriffs of all counties except Chittenden shall be entitled to receive salaries in the amount of ~~\$84,969.00 as of July 7, 2019~~ and \$86,116.00 as of January 5, 2020 and \$89,690.00 as of July 4, 2021. The Sheriff of Chittenden County shall be entitled to an annual salary in the amount of ~~\$89,919.00 as of July 7, 2019~~ and \$91,133.00 as of January 5, 2020 and \$94,915.00 as of July 4, 2021.

(b) Compensation under subsection (a) of this section shall be reduced by 10 percent for any sheriff who has not obtained Level III law enforcement officer certification under 20 V.S.A. § 2358.

* * * State's Attorneys; Statutory Salaries; Fiscal Year 2022 * * *

Sec. F.109 32 V.S.A. § 1183 is amended to read:

§ 1183. STATE'S ATTORNEYS

(a) The State's Attorneys shall be entitled to receive annual salaries as follows:

	<u>Annual Salary as of July 7, 2019</u>	<u>Annual Salary as of January 5, 2020</u>	<u>Annual Salary as of July 4, 2021</u>
(1) Addison County	\$114,934	\$116,486	<u>\$121,320</u>
(2) Bennington County	\$114,934	\$116,486	<u>\$121,320</u>
(3) Caledonia County	\$114,934	\$116,486	<u>\$121,320</u>
(4) Chittenden County	\$120,160	\$121,782	<u>\$126,836</u>
(5) Essex County	\$86,202	\$87,366	<u>\$90,992</u>
(6) Franklin County	\$114,934	\$116,486	<u>\$121,320</u>
(7) Grand Isle County	\$86,202	\$87,366	<u>\$90,992</u>
(8) Lamoille County	\$114,934	\$116,486	<u>\$121,320</u>
(9) Orange County	\$114,934	\$116,486	<u>\$121,320</u>
(10) Orleans County	\$114,934	\$116,486	<u>\$121,320</u>
(11) Rutland County	\$114,934	\$116,486	<u>\$121,320</u>

(12) Washington County	\$114,934	\$116,486	<u>\$121,320</u>
(13) Windham County	\$114,934	\$116,486	<u>\$121,320</u>
(14) Windsor County	\$114,934	\$116,486	<u>\$121,320</u>

* * *

* * * Appropriations * * *

Sec. F.111 PAY ACT APPROPRIATIONS; FISCAL YEAR 2022

(a) Executive Branch. The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the Defender General, Non-Management, Supervisory, and Corrections bargaining units, and, for the purpose of appropriation, the State's Attorneys' offices bargaining unit, for the period of July 1, 2021 through June 30, 2022; the collective bargaining agreement with the Vermont Troopers' Association for the period of July 1, 2021 through June 30, 2022; and salary increases for employees in the Executive Branch not covered by the bargaining agreements shall be funded as follows:

(1) Fiscal year 2022.

(A) General Fund. The amount of \$10,033,806 is appropriated from the General Fund to the Secretary of Administration for distribution to departments to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(B) Transportation Fund. The amount of \$4,250,000 is appropriated from the Transportation Fund to the Secretary of Administration for distribution to the Agency of Transportation and the Department of Public Safety to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act.

(C) Other funds. The Administration shall provide additional spending authority to departments through the existing process of excess receipts to fund the fiscal year 2022 collective bargaining agreements and the requirements of this act. The estimated amounts are \$15,775,278 from a special fund, federal funds, and other sources.

(D) Transfers. With due regard to the possible availability of other funds, for fiscal year 2022, the Secretary of Administration may transfer from the various appropriations and various funds and from the receipts of the Liquor Control Board such sums as the Secretary may determine to be necessary to carry out the purposes of this act to the various agencies supported by State funds.

(2) This section shall include sufficient funding to ensure administration of exempt pay plans authorized by 32 V.S.A. § 1020(c).

(b) Judicial Branch.

(1) The Chief Justice of the Vermont Supreme Court may extend the provisions of the Judiciary's collective bargaining agreement to Judiciary employees who are not covered by the bargaining agreement.

(2) The second year of the two-year agreements between the State of Vermont and the Vermont State Employees' Association for the judicial bargaining unit for the period of July 1, 2021 through June 30, 2022 and salary increases for employees in the Judicial Branch not covered by the bargaining agreements shall be funded as follows: the amount of \$978,648 is appropriated from the General Fund to the Judiciary to fund the fiscal year 2022 collective bargaining agreement and the requirements of this act.

(c) Legislative Branch. For the period of July 1, 2021 through June 30, 2022, the General Assembly shall be funded as follows: the amount of \$399,630 is appropriated from the General Fund to the Legislative Branch.

* * * Fiscal Year 2021; One-Time Payments * * *

Sec. F.112 FISCAL YEAR 2021; ONE-TIME PAYMENTS AUTHORIZED

(a) The Executive Branch is authorized to provide elected State officials whose salaries are set pursuant to 32 V.S.A. § 1003 (State officers), who did not otherwise receive a salary increase in fiscal year 2021, a one-time cash payment equivalent to the value of a 1.9 percent increase on their fiscal year 2020 salary.

(b) The Judicial Branch is authorized to provide judicial officers whose salaries are set pursuant to 32 V.S.A. §§ 1003 and 1141–1142, who did not otherwise receive a salary increase in fiscal year 2021, a one-time cash payment equivalent to the value of a 1.9 percent increase on their fiscal year 2020 salary.

* * * American Rescue Plan Act Appropriations * * *

* * * Intent and Other Funding * * *

Sec. G.100 MULTIYEAR FUNDING PRIORITIES FOR THE AMERICAN RESCUE PLAN ACT (ARPA) AND OTHER STATE AND FEDERAL FUNDS FOR ALL VERMONTERS: INTENT

(a)(1) ARPA was enacted on March 11, 2021 and includes a \$1.05 billion grant of flexible aid for Vermont to be spent over the next four years. With these funds, and other federal or State funds, the General Assembly recognizes an unprecedented opportunity to invest in Vermont's recovery and long-term

future by supporting Vermonters' health and well-being and by strengthening Vermont's communities, businesses, environment, and climate. Between ARPA funds and other federal and State funds, the General Assembly anticipates spending the following amounts over the next three years:

(A) \$250,000,000 for the health, well-being, and recovery of Vermonters; for workforce development; and for business supports;

(B) \$250,000,000 for development of a wide array of housing;

(C) \$250,000,000 for broadband development;

(D) \$250,000,000 for climate change mitigation; and

(E) \$225,000,000 for clean water initiatives.

(2) Through the appropriations in Secs. G.300–G.700 of this act, it is the intent of the General Assembly to enable foundational investments that will support all Vermonters and transform and strengthen Vermont's economy and communities.

(b) The appropriations of ARPA – Coronavirus State Fiscal Recovery Funds in fiscal year 2022 are made in Secs. G.300–G.700 of this act by categorical areas. In some cases, one-time State General Fund monies or other ARPA funding sources are included for specific programs or projects providing comprehensive funding by category. All appropriations of ARPA funds in this act are made only to the extent permitted by federal law and guidance. Appropriations not expended in fiscal year 2022 shall carry forward.

Sec. G.200 COMMUNITY ENGAGEMENT: LEGISLATURE

(a) In light of the unprecedented opportunity to transform the health and well-being of Vermonters, their communities, and businesses, the Speaker of the House and the President Pro Tempore of the Senate shall undertake a statewide, community-based engagement process to solicit Vermonters' specific priorities for investing federal funds for the long-term future of Vermont. Up to \$40,000 may be allocated from the legislative budget for administrative support and expenses. The community engagement process shall maximize public engagement, especially of marginalized communities, using nontraditional public input processes that do not rely exclusively on public hearings or online options, with the goal of removing barriers to participation. A report of the engagement process, including Vermonters' recommendations for investments in the future of this State, shall be provided to the House and Senate Committees on Appropriations and to other relevant committees in preparation for budget or policy development.

* * * Economy, Workforce, and Communities * * *

Sec. G.300 INVESTMENTS IN VERMONT'S ECONOMY, WORKFORCE,
AND COMMUNITIES

(a) \$109,200,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$5,000,000 to the Department of Disabilities, Aging, and Independent Living (DAIL) to be used for grants to currently existing adult day service providers to support operating costs, program infrastructure, and COVID-19 related costs. On or before the first day of each quarter of fiscal year 2022 (July 1, 2021, October 1, 2021, January 1, 2022, and April 1, 2022), the Vermont Association of Adult Day Services shall provide a spreadsheet to the Department detailing the amount of grant funding needed by each program for each quarter. Any amount of this appropriation remaining at the end of fiscal year 2022 shall be carried forward and shall be used to support operating costs, program infrastructure, and COVID-19 related expenses. DAIL shall work with community partners to seek organizations interested in opening an adult day center in the underserved regions where adult day centers closed during the COVID-19 pandemic and shall request funding in the fiscal year 2022 budget adjustment process to provide restart grants.

(2) \$600,000 to the Department of Mental Health to fund a pilot mobile crisis intervention program in Rutland. It is the intent of the General Assembly that any continuation of this pilot program or expansion of the program to other areas of the State be designed and implemented in a manner that meets the requirements necessary to draw federal Medicaid funding for these services as specified in ARPA.

(3) \$9,000,000 to the Judiciary for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023. It is the intent of the General Assembly that portions of the appropriation made to the Judiciary under this subdivision be spent:

(A) for the use of six-person juries in civil cases as authorized by the Court in the exercise of its emergency powers during a state of emergency; and

(B) to reduce the backlog in child support cases, particularly in Bennington, Chittenden, and Rutland and counties; and

(C) to address evictions backlog resulting from the pandemic related moratorium.

(D) to address fiscal issues related to the expungement caseload.

(4) \$3,300,000 to the Department of State's Attorneys and Sheriffs for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(5) \$2,700,000 to the Office of the Defender General for pandemic recovery response and justice system reopening in fiscal years 2022 and 2023.

(6) \$2,000,000 in fiscal year 2022 to the Department of Labor for apprenticeship programs.

(7) \$1,000,000 in fiscal year 2022 to the University of Vermont for matching funds for research grant opportunities related to COVID-19.

(8) \$10,000,000 in fiscal year 2022 to the Vermont State Colleges for the following programs:

(A) \$2,000,000 to provide funding for up to six credits or two courses in the 2022 – 2023 academic year, including wraparound services for Vermonters whose employment was impacted by the COVID-19 public health emergency since March 13, 2020. The wraparound services may also be provided to students who enroll in six credit hours or two courses in the summer or fall of 2021 and spring of 2022 pursuant to 2021 Acts and Resolves No. 9, Sec. 18.

(B) \$3,000,000 to provide degree completion scholarships for up to 30 credits towards a credential of value for adult learners who have earned at least 40 credits towards an undergraduate degree and have a gap in attendance of at least two years.

(C) \$5,000,000 to provide free last dollar tuition for one year of undergraduate studies for critical occupation careers, including bookkeeping certificate, IT service desk specialist certificate, certified production technician, graphic design certificate, software and web development program, electrical and plumbing apprenticeships, dental hygiene, certificate in accounting, small business management, radiologic science, and respiratory therapy. \$540,000 of these funds shall be allocated for paramedic/EMS programs and any unexpended amount of this allocation shall be available for the broader purpose in this subdivision (C). Funds may be used for practical nursing, childcare, nursing, and mental health counseling programs only after available federal and State financial aid is applied to ensure no cost to the student. If demand from undergraduates is met, then funds may be used to pay for tuition for the following graduate programs:

(i) Master in Education (all programs);

(ii) Master in Educational Leadership;

(iii) Master of Arts and Certificate of Advanced Graduate Studies in School Psychology;

(iv) Masters in Counseling; and

(v) Masters in Clinical Mental Health Counseling.

(9) \$21,000,000 to the Vermont State Colleges for pandemic related deficits from revenue loss and increased operating expenses.

(10) \$2,200,000 to the University of Vermont to offset the impact from level room and board fees.

(11) \$11,000,000 to the Agency of Commerce and Community Development to be used in the same manner as the Brownfields Revitalization Fund established by 10 V.S.A. § 6654, except notwithstanding the grant limitations in 10 V.S.A. § 6654, projects supported by this appropriation shall not be limited to \$200,000 grants per parcel. The Agency of Commerce and Community Development shall award the amount of \$1,000,000.00 in fiscal year 2022 to regional planning commissions for the purposes of brownfields assessment. In awarding funds under this section, the Secretary, in consultation with VAPDA, shall select one regional planning commission to administer these funds. To ensure statewide availability, the selected regional planning commission shall subgrant to regional planning commissions with brownfield programs, with not more than 10 percent of the funds being used for administrative purposes.

(12) \$10,580,000 to the Department of Economic Development to fund priority capital projects as specified in Sec. H.18 of this Act.

(13) \$20,000,000 to the Agency of Commerce and Community Development for Economic Recovery grants as specified in H.19 of this act.

(14) \$2,000,000 to the Department for Children and Families, Office of Economic Opportunity, to be granted to the community action agencies for the Statewide Community Action Network's Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) as specified in Sec. H.13(b)(2) of this act.

(15) \$1,000,000 to the University of Vermont to complete the startup of the Office of Engagement as specified in Sec. H.2(b) of this act.

(16) \$800,000 to the Agency of Commerce and Community Development for technology-related grants as specified in Sec. H.2(a) of this act.

(17) \$1,500,000 to the Agency of Commerce and Community Development for a Better Places grant program as specified in Sec.H.7 and H.8 of this act.

(18) \$150,000 to the Agency of Commerce and Community Development to provide outreach and technical for BIPOC owned businesses as specified in Sec. H.14 of this act.

(19) \$2,000,000 to the Department of Tourism and Marketing as specified in Sec. H.1 of this act.

(20) \$650,000 to the Agency of Commerce and Community Development to award grants for new and remote worker programs and program analysis consistent with legislation enacted in the 2021 legislative session.

(21) \$400,000 for career and technical education to be allocated as follows, consistent with legislation enacted in the 2021 legislative session.

(A) \$100,000 to the Vermont Student Assistance Corporation for CTE Adult Training Scholarships, and

(B) \$300,000 to the Agency of Education for grants to Adult Career and Technical Education Centers for equipment and to provide CTE coordinators resources to access to curriculum development experts.

(22) \$2,320,000 to the Agency of Commerce and Community Development for Working Community Challenge grants.

(b) \$49,500,000 in fiscal year 2022 is appropriated from the General Fund as follows:

(1) \$300,000 to the Agency of Commerce and Community Development for a two-year contract with a foreign trade representative.

(2) \$900,000 to the Agency of Commerce and Community Development to fund the Entrepreneurs' Seed Capital Fund to provide risk stage seed capital to Vermont businesses that have experienced economic disruption either through reduced business, new business formation, or through an unmanageable increase in new business due to the COVID-19 crisis.

(3) \$20,000,000 to the Vermont State Colleges for system transformation over the next four years, \$8,000,000 of which shall be utilized in fiscal year 2022.

(4) \$2,000,000 to the Vermont State Colleges to provide welcome home scholarships of \$5,000 per year or \$2,500 per semester for full-time students enrolled for 12 or more credits, or \$3,000 per year or \$1,500 per semester for part-time students, to Vermonters transferring from out-of-state institutions or

returning to school after exiting in 2020–2021. This program’s mission is to incentivize students to come home to Vermont by transferring to Vermont State College System institutions and to complete their degree if they left school without finishing in 2020–2021.

(5) \$400,000 to the Vermont State Colleges for start-up cost for the Dental Therapy program.

(6) \$5,750,000 to the Vermont Student Assistance Corporation for the following programs:

(A) \$1,000,000 for advancement grants in fiscal years 2022 and 2023;

(B) \$600,000 for aspiration grants in fiscal years 2022 and 2023;

(C) \$3,800,000 for 802Opportunity grants in fiscal years 2022 and 2023; and

(D) \$350,000 for a one-time investment in the Advance Vermont program to assist Vermonters seeking credentialing information and opportunities.

(7) \$15,000,000 to the Secretary of Administration for equitable distribution, to be determined in consultation with the Association of Vermont Independent Colleges, among the 12 independent colleges. Distribution factors to be considered shall include ARPA funding guidelines and creating a floor to protect smaller schools. In order to qualify for funding from this appropriation, institutions must be accredited or certified in Vermont and chartered in Vermont.

(8) \$1,500,000 to the Agency of Commerce and Community Development to be used in the same manner as the Downtown Transportation and Related Capital Improvement fund established by 24 V.S.A. § 2796, pursuant to the conditions outlined in Sec. B.1103(a).

(9) \$2,000,000 to the Agency of Agriculture, Food and Markets for grants through the Working Lands Program.

(10) \$500,000 to the Agency of Agriculture, Food and Markets for grants to State fairs and field days organizations.

(11) \$1,150,000 to the Vermont Council on the Arts for technical assistance for cultural and arts organizations to enhance their digital presence.

* * * Addressing Homelessness, Housing Insecurity and
Increasing the Stock of Low- and Moderate-Income Housing * * *

Sec. G.400 HOUSING AND HOMELESSNESS INVESTMENTS

(a) \$99,000,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$94,000,000 to the Vermont Housing and Conservation Board (VHCB) to provide housing and increase shelter capacity, with priority given to populations who may be displaced from the hotel/motel voucher problem or are currently without housing, including by providing permanent homes in mixed-income settings. VHCB shall distribute the funds in consultation with the Secretary of Human Services and may subgrant a portion to other entities, including the Department of Housing and Community Development, the Vermont Housing Finance Agency, and regional nonprofit housing organizations, for one or more of the following purposes:

(A) if necessary, to help ensure that households and areas impacted by the pandemic are served;

(B) to undertake additional housing initiatives, such as home ownership, to the extent permitted by ARPA and related regulations and guidance; or

(C) to provide for the efficient use of the funds.

(2) \$5,000,000 to the Agency of Commerce and Community Development for the Vermont Housing Incentive Program (VHIP).

(b) \$91,000,000 is appropriated from other funds as follows:

(1) \$40,000,000 in fiscal year 2021 is appropriated from the General Fund to the Vermont Housing and Conservation Board (VHCB) for affordable housing initiatives. These funds shall carryforward into fiscal year 2022 and are in addition to funding provided to VHCB in 2021 Acts and Resolves No. 9.

(2) \$36,000,000 of funds reserved by motion passed on February 11, 2021 by the Joint Fiscal Committee accepting the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260) Emergency Rental Assistance Program grant is appropriated in fiscal year 2022 to the Department for Children and Families to implement the Emergency Housing Assistance Program in fiscal year 2022.

(3) \$15,000,000 in fiscal year 2022 is appropriated from funds received from the American Rescue Plan Act, 2021 (Pub. L. No. 117-2) Emergency Rental Assistance Program to the Department for Children and Families to supplement, continue, or extend, or any combination of the three,

the Rental Assistance Program for Reach Up families as permissible by the Emergency Rental Assistance Program.

* * * Broadband Connectivity and Technology
Modernization Investments * * *

Sec. G.500 BROADBAND CONNECTIVITY INVESTMENTS

(a) \$150,000,000 is appropriated in fiscal year 2022 to the Department of Public Service from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Fund consistent with legislation enacted in the 2021 legislative session in order to support and accelerate the State's goal of achieving universal access to reliable, high-quality, affordable broadband. This appropriation may be transferred to the Vermont Community Broadband Fund.

Sec. G.501 STATE TECHNOLOGY MODERNIZATION INVESTMENTS

(a) \$52,000,000 is appropriated in fiscal year 2022 from American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$24,500,000 to the Department of Motor Vehicles to complete the first phase of the DMV IT system replacement of the 40-year-old mainframe applications.

(2) \$1,100,000 to the Department of Environmental Conservation for the second phase of the permit navigator - citizen facing permit portal.

(3) \$500,000 to the Natural Resources Board for the Act 250 scanning project – digitize land use records.

(4) \$12,800,000 to the Agency of Administration for a Human Capital Management ERP upgrade - replacement of the HR system that tracks employee information, timesheets, and contracts, including a VANTAGE budget system upgrade and interface with the new HR system.

(5) \$1,500,000 to the Agency of Digital Services cybersecurity – core infrastructure replacement and router replacements for public safety connections to the municipalities.

(6) \$1,000,000 to the Agency of Commerce and Community Development for the Salesforce grant management system – transitioning ACCD from a centralized grants system.

(7) \$1,700,000 to the States' Attorneys and Sheriffs to upgrade its case management system software;

(8) \$140,000 to the Office of the the Defender General to complete a case management system upgrade.

(9) \$250,000 to the Secretary of State for completion of the Vermont Business Portal to provide digital access for Vermont-based businesses to at least four State agencies.

(10) \$4,500,000 to the Vermont Department of Labor, of which \$3,500,000 is allocated for phase one of the UI modernization to begin replacement of mainframe applications for unemployment insurance and \$1,000,000 is allocated for the Joblink replacement to coordinate activities between the Department and the Agency of Commerce and Community Development to better serve Vermonters. These funds shall be released only after approval of the Joint Information Technology Oversight Committee. The Committee is requested to review the breadth of scope, appropriateness of the proposed technology, experience record of the proposed vendor, reliability of the cost estimate, availability of dedicated department personnel for implementation and operation, and the proposed schedule and scope of future phases, where appropriate. The Committee evaluation shall consider information provided by the Agency of Digital Services and any outside technical review or resource.

(11) \$4,010,000 to the Agency of Education for data systems related to licensing management, dual enrollment vouchers, and adult education and literacy programs. These funds shall be released only after approval of the Joint Information Technology Oversight Committee.

(b) \$14,000,000 is appropriated from the General Fund in fiscal year 2022 as follows:

(1) \$4,500,000 to the Department for Children and Families for Bright Futures Information System replacement, and

(2) \$9,500,000 to the Agency of Human Services for the IE project - Integrated Eligibility replaces Access.

* * * Weatherization and Other Climate Change Mitigation Investments * * *

Sec. G.600 CLIMATE ACTION INVESTMENTS

(a) \$50,000,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$4,000,000 to the Department for Children and Families, Office of Economic Opportunity, Home Weatherization Assistance Program to be used in fiscal years 2022 and 2023. Up to \$150,000 of these funds may be used for vermiculite remediation and home repair as part of home weatherization. These funds are in addition to the funds that are provided in Sec. B.324 of this act and the federal ARPA LIHEAP funding provided, as set forth in Sec. E.324.1 of this act.

(2) \$9,000,000 to the Agency of Administration to grant to the Vermont Housing Finance Agency for financial support of housing weatherization statewide. On or before January 31, 2022 and thereafter upon request from a legislative committee, the Vermont Housing Finance Agency shall issue a report to the General Assembly detailing the programs to which funds appropriated under this subdivision were provided. The report shall include the results of its investigations into on-bill to-the-meter billing and other methods to provide weatherization financing.

(3) \$5,000,000 to the Department of Public Service to grant to the Efficiency Vermont for the purpose of weatherization incentives. These funds shall be deposited in Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2023.

(4) \$2,000,000 to the Department of Public Service to grant to Efficiency Vermont for the purpose of workforce development initiatives and to support the expansion of Neighborworks of Western Vermont's Heat Squad program. These funds shall be deposited in the Electric Efficiency Fund established under 30 V.S.A. § 209(d)(3) and shall be available for use by Efficiency Vermont through December 31, 2023.

(5) \$20,000,000 to the Department of Public Service of which \$10,000,000 is to be used on the Affordable Community-Scale Renewable Energy Program, consistent with parameters of the Clean Energy Development Fund, to support the creation of renewable energy projects for Vermonters with low-income. In fiscal year 2022, \$5,000,000 may be allocated by the Clean Energy Development Board. The Department shall submit a plan for use of the remaining \$5,000,000 funds for approval by the General Assembly during the 2022 legislative session.

(6) \$10,000,000 to the Vermont Housing Conservation Board, which may be used for conservation projects and Farm and Forest Viability Program activities that support the rural economy. Up to \$100,000 shall be used to expand the Rural Economic Development Initiative (REDI).

(b) \$4,500,000 in fiscal year 2022 is appropriated from the General Fund as follows:

(1) \$2,500,000 to the Agency of Commerce and Community Development, of which:

(A) \$650,000 shall be used by the Agency to provide technical assistance to municipalities on accessory dwelling and small lot development as well as bylaw modernization consistent with any specifications enacted in the 2021 legislative session. This allocation may include grants to regional

planning commissions

(B) \$850,000 shall be used provide grants of \$75,000 to each regional planning commission for increased workload from the pandemic.

(C) \$1,000,000 shall be granted to regional planning commissions to provide energy planning services to municipalities. Distribution of these funds shall be made based on an allocation plan that is developed by the regional planning commissions.

(2) \$1,500,000 to the Department for Children and Families to grant to the community action agencies, to be used through December 31, 2024, to support at least five Financial and Clean Energy Coaches to assist Vermonters with low and moderate income in comprehensive financial coaching, including budgeting, debt reduction, credit building, and asset development, with an emphasis on reducing their reliance on carbon fuel-based technologies, and to support one statewide coordinator based at a community action agency.

(3) \$500,000 to the Agency of Transportation to grant to the Community Action Agencies to support the MileageSmart Program, established in 2019 Acts and Resolves No. 59, Sec. 34, as amended.

* * * Clean Water Investments * * *

Sec. G.700 WATER AND SEWER INVESTMENTS

(a) \$115,000,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act (ARPA) - Coronavirus State Fiscal Recovery Funds as follows:

(1) \$10,000,000 for Stormwater Retrofit Projects as follows:

(A) \$5,500,000 to the Department of Environmental Conservation to provide three-acre stormwater permitting design and construction support for entities subject to the Vermont 3- 9050 Stormwater General Permit and to provide design and construction for practices necessary to restore impaired waters subject to flow restoration plans.

(B) \$1,000,000 to the Department of Forests, Parks and Recreation to support compliance with the 3-acre stormwater rule.

(C) \$3,500,000 to the Agency of Transportation for the implementation of three-acre and flow restoration protection and clean water compliance expenditures for transportation infrastructure and to fund the municipal grants in aid program to address stormwater runoff from municipal roads.

(2) \$10,000,000 to the Department of Environmental Conservation to support wastewater projects and pretreatment activities as follows:

(A) \$8,000,000 to support the design and construction of up to 10 community-scale water or decentralized wastewater projects, or both, to support underserved designated centers.

(B) \$2,000,000 to provide financial assistance to municipalities, Vermont businesses, and nonprofit entities to install or enhance pretreatment processes to address high strength or toxic wastes that otherwise require treatment at municipal expense by publicly owned treatment facilities.

(3) \$10,000,000 to the Department of Environmental Conservation to assist municipalities to design and construct projects to reduce or eliminate wet weather sewer overflows.

(4) \$5,000,000 to make repairs or improvements to water and wastewater systems in Vermont homes to be allocated as follows:

(A) \$750,000 to the Department of Housing and Community Development to provide financial assistance or incentives for water system and water efficiency improvements as part of housing rehabilitation projects.

(B) \$4,250,000 to the Department of Environmental Conservation as follows:

(i) \$1,000,000 to increase the funds available for loan forgiveness to replace failed residential on-site wastewater and water supply systems.

(ii) \$3,250,000 to provide financial assistance or loan forgiveness to mobile home parks to improve drinking water, wastewater, stormwater, and drainage systems.

(5) \$10,000,000 to the Department of Environmental Conservation for allocation by the Clean Water Board established under 10 V.S.A § 1389, as part of their budget process in fiscal year 2022.

(6) \$50,000,000 to the Agency of Natural Resources shall carry forward to be used as follows:

(A) \$20,000,000 for allocation by the Clean Water Board established under 10 V.S.A § 1389 as part of their budget process in fiscal year 2023 and 2024;

(B) \$30,000,000 for allocation in fiscal year 2023 and 2024 by the Department of Environmental Conservation for drinking water, sewer, and stormwater infrastructure projects, including dam safety improvements and CSO abatement. The Department shall provide the General Assembly a list of the projects allocated for funding during the annual budget development process for fiscal years 2023 and 2024.

(7) \$5,000,000 to improve overall landscape resilience and mitigate flood hazards to be allocated as follows:

(A) \$4,880,000 to the Department of Public Safety, Division of Emergency Management to establish a statewide hazard mitigation program that includes funding hazard mitigation matching funds and a State-level buyout program for parcels ineligible for FEMA-related programs.

(B) \$120,000 to the Department of Environmental Conservation to provide technical assistance to the statewide hazard mitigation program.

(b) \$5,000,000 in fiscal year 2021 is appropriated from the General Fund to the Department of Environmental Conservation to reduce risk to public safety and the environment associated with State-owned dams.

(c) \$15,000,000 to be used to the extent capital funds have been appropriated to projects supporting water and sewer infrastructure in fiscal year 2022 and capital appropriations can be offset for reuse for future capital construction projects in the fiscal years 2022 – 2023 capital budget adjustment process. On or before December 15, 2021, the Commissioner of Finance and Management shall review and recommend water and sewer infrastructure projects funded in fiscal year 2022 that could be funded with ARPA funds to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the fiscal years 2022–2023 capital budget adjustment report.

Sec. G.701 [Deleted.]

* * * Tax Conformity, Administration and Positions * * *

Sec. G.800 FEDERAL TAX CONFORMITY: AMERICAN RESCUE PLAN ACT (ARPA) CONTINGENT OFFSET TRANSFER

(a) To the extent that the July 2021 Emergency Board fiscal year 2022 available General Fund forecast is below \$1,673,600,000, the first \$17,500,000 of any amount below this level shall be offset by a transfer of the ARPA - Coronavirus State Fiscal Recovery Funds into the General Fund.

Sec. G.801 APPROPRIATION FOR ADMINISTRATION COSTS

(a) \$6,500,000 in fiscal year 2022 is appropriated from the American Rescue Plan Act - Coronavirus State Fiscal Recovery Funds to the Agency of Administration to be transferred as need to address the statewide costs of administerting these funds, including the costs of related limited service positions.

Sec. G.802 AMERICAN RESCUE PLAN ACT RELATED LIMITED
SERVICE POSITIONS

(a) The establishment of the following 57 new limited positions is authorized in fiscal year 2022. To the extent that vacant positions are available; these positions may be transferred and converted from existing vacant positions in the Executive Branch. Departments shall report on the recruitment status of the positions created by this section in the fiscal year 2022 budget adjustment process.

(1) The Department for Children and Families – seventeen (17) limited service positions to process applications for emergency housing and comply with federal funding requirements, and six (6) limited service positions to process applications for child care stabilization fund grants and federal funding requirements in State fiscal year 2022 for the duration of the child care stabilization funds.

(2) The Department of Buildings and General Services - three (3) State Purchasing Agents, one (1) State Assistant Purchasing Agent, one (1) Design and Construction Division Program Chief, and three (3) Design and Construction Project Managers.

(3) The Department of Economic Development - two (2) Economic Development Specialists, two (2) Grants Management Specialists, and two (2) Administrative Services Coordinators.

(4) The Department of Housing and Community Development - one (1) Grants Management Specialist, one (1) Senior Grants Management Specialist, one (1) Housing Program Coordinator, one (1) Community Development Specialist, one (1) Financial Administrator, and one (1) Administrative Assistant.

(5) The Agency of Natural Resources - one (1) Environmental Conservation Financial Manager, one (1) Environmental Conservation Financial Administrator, two (2) Environmental Conservation Grants Management Specialists, one (1) Environmental Conservation Analyst, three (3) Central Office Regulatory Policy Analysts, and two (2) Fish and Wildlife Scientists.

(6) The Department of Public Safety – two (2) State Hazard Mitigation Planners, and one (1) Financial Administrator.

(7) The Agency of Administration, Secretary’s Office – one (1) Financial Manager.

(8) Department of the State’s Attorneys – one (1) two year limited service classified position, Victims Advocate Coordinator.

Sec. G.803 AMERICAN RESCUE PLAN ACT (ARPA) FUNDS;
POTENTIAL COUNTY ALLOCATIONS;
APPROVAL REQUIRED FOR USE OF FUNDS

(a) The use of ARPA funds is subject to strict limitations and use beyond the specifications of federal law and guidance will likely require the State to reimburse the federal government for the amount of the improperly spent funds. In the event that the U.S. Department of the Treasury determines that Vermont's counties are eligible to receive funds made available to counties from the Coronavirus Local Fiscal Recovery Fund in Section 603(b)(3) of the Social Security Act, as added by Section 9901 of ARPA:

(1) no Vermont county shall use any of the funds in its allocation until the Secretary of Administration has reviewed and approved each proposed expenditure as an eligible use in accordance with federal law and related guidance; and

(2) if a Vermont county transfers any or all of its allocation to the State in accordance with Section 603(c)(4) of the Social Security Act, as added by Section 9901 of ARPA, the funds shall be held for appropriation by the General Assembly in the fiscal year 2022 budget adjustment process.

* * * Tourism and Marketing * * *

Sec. H.1 TOURISM AND MARKETING; APPROPRIATION

(a) The tourism and hospitality sector has suffered widespread disruption from the COVID-19 pandemic, with restaurant, lodging, entertainment, specialty retail and related businesses, as well as cultural attractions, suffering job losses and an uncertain ability to remain operational due to the travel restrictions imposed and the revenue losses that have been experienced.

(b) When travel is safe again, Vermont will have a strategic opportunity coming out of the pandemic to encourage visitation due our abundance of open space, strong cultural and outdoor recreation assets, and careful management of the virus.

(c) Of the \$2,000,000.00 appropriated in Sec. G.300(a)(19) of this act to the Department of Tourism and Marketing, the Department shall allocate funding as follows:

(1) \$1,400,000.00 to promote Vermont's travel, recreation, culinary, arts, culture, agritourism, and heritage experiences to attract visitors and stimulate visitor spending with local attractions and small businesses in rural communities and throughout the State; and

(2) \$600,000.00 to develop a grant program to enable local, regional, or statewide organizations to implement campaigns and initiatives that increase

consumer spending, support local businesses, and advance community recovery efforts to support businesses in Vermont that have suffered economic harm due to the COVID-19 public health emergency.

(d) The Department shall ensure that funds appropriated in this section are distributed equitably to reach a broad audience, including underrepresented communities and new and diverse communities of visitors.

(e) On or before February 15, 2022, the Department shall submit to the Senate Committee on Housing, Economic Development and General Affairs and the House Committee on Commerce and Economic Development a report on the use and outcomes of funding allocated in this section.

* * * Technology-Based Economic Development * * *

Sec. H.2 TECHNOLOGY-BASED ECONOMIC DEVELOPMENT
PROGRAM; APPROPRIATION

(a) Of the \$800,000.00 appropriated in Sec. G.300(a)(16) of this act to the Agency of Commerce and Community Development, the Agency shall allocate funds to design and implement a technology-based economic development program that promotes technology-based businesses consistent with the following:

(1) Small business innovation research; small business technical transfer; technical assistance. A total of \$200,000.00 to provide technical assistance to first-time applicants pursuing a federal SBIR or STTR grant.

(2) SBIR; STTR; Phase I and Phase II matching grants. A total of \$400,000.00 to provide a 50 percent State matching grant, up to \$50,000.00, to businesses that receive a federal SBIR/STTR Phase I or Phase II grant.

(3) Industry research partnership program. A total of \$200,000.00 to provide a 100 percent matching grant to Vermont small businesses:

(A) to purchase services and technical assistance from universities and research institutions, including research and development assistance, technology assessments, product prototyping, lab validation, and overcoming development hurdles; and

(B) to establish better relationships among Vermont businesses and higher education researchers, speed time-to-market for new technologies, and help keep Vermont companies relevant in the marketplace.

(b) The University of Vermont Office of Engagement shall use the \$1,000,000.00 appropriated in Sec. G.300(a)(15) of this act over a two-year period to leverage the research services and data science capabilities of the University in order to promote technology-based businesses.

(c)(1) On or before January 15, 2022, the Agency of Commerce and Community Development shall report to the General Assembly concerning the implementation of subsection (a) of this section, including the provision of grants and technical assistance, the number of businesses assisted, how many SBIR/STTR Phase I and II matching grants awarded, how many businesses received the maximum grant, and how many matching grants and the amounts awarded through the industry research partnership program.

(2) On or before January 15, 2022, the University of Vermont shall report to the General Assembly on the implementation of subsection (b) of this section concerning the nature and scope of assistance provided through the Office of Engagement.

* * * Postsecondary CTE System * * *

Sec. H.3 2019 Acts and Resolves No. 80, Sec. 6 is amended to read:

Sec. 6. ~~POSTSECONDARY CAREER AND TECHNICAL ADULT~~
EDUCATION AND TRAINING SYSTEM

(a) Findings; purpose.

(1) Findings. The General Assembly finds:

(A) Like many rural states, Vermont faces demographic realities that have resulted in an historically low unemployment rate and created obstacles for employers that seek to hire and retain enough fully trained employees.

(B) Notwithstanding this high employer demand, due to rapidly changing technology and evolving business needs, potential employees may lack the particular skills and training necessary to qualify for available jobs.

(C) In order to assist employers and employees in matching demand to requisite skills, Vermont has a broad diversity of postsecondary workforce education and training programs offered by multiple providers, including programs administered or funded by State government, educational institutions, and business-lead groups ~~such as the Vermont Talent Pipeline Management Project~~. The State should continue to work closely with these providers to identify and meet the needs of employers and employees.

* * *

~~(b) Postsecondary~~ Adult basic education, adult secondary education, and postsecondary CTE System.

~~(1) The Department of Labor, in collaboration with the Agency of Education, in consultation with the Department of Labor, the Vermont State Colleges, and the Vermont Adult Technical Education Association, and any two representatives from entities who serve adult basic and adult secondary~~

populations shall:

(A) consultant the Department hires for that purpose, issue a request for proposals and hire a contracted consultant on or before September 1, 2022; and

(B) shall consider and report to the General Assembly on the design, implementation, and costs of an integrated and coherent adult basic education, adult secondary education, and postsecondary career and technical education system that achieves the results specified in subdivision (a)(2) of this section.

(2) In performing their work, the ~~Department, stakeholders Agency, partners, and any~~ the consultant shall conduct a broad-based stakeholder engagement process to solicit input from interested parties, and State agencies and departments shall provide necessary information and assistance within their relative areas of expertise.

(c) Report Reporting. The Department of Labor shall report to the House Committees on Commerce and Economic Development and on Education and to the Senate Committees on Economic Development, Housing and General Affairs and on Education concerning the implementation of this section as follows:

(1) on or before April 15, 2022, a status update addressing the progress on designing the request for proposals and the stakeholder engagement process;

(2) On on or before January 15, 2020 2023, the Department of Labor shall submit a preliminary report on the status of its work as of that date; and

(3) on or before December 15, 2023, a final report with any recommendations for legislative action to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs.

(d) In performing its work to create an integrated adult basic education, adult secondary education, and postsecondary career and technical education system, the ~~Department~~ Agency shall recognize issues faced by persons who would benefit from adult basic education or adult secondary education and persons with other historical barriers to employment or who are underrepresented in the workforce, including persons who have faced discrimination based on race, sex, sexual orientation, gender identity, age, refugee status, and national origin; persons in recovery; persons with a history of incarceration; and persons with disabilities.

Sec. H.4 ALLOCATION OF APPROPRIATIONS

(a) The Department of Labor shall allocate not more than \$75,000 from the amounts available in the Workforce Expansion Fund to implement Sec. H.3 of this act.

(b) The Agency of Education shall allocate not more than \$25,000.00 from the amounts available in the General Fund for Tech Ed Adult Formula to supplement funds from the Department of Labor to implement Sec. H.3 of this act.

* * * Better Places Program * * *

Sec. H.5 FINDINGS; INTENT AND PURPOSE

(a) The General Assembly finds:

(1) The COVID-19 pandemic has devastated our economy through business closures and job losses, and physical distancing requirements have exacerbated social isolation and impacted Vermonters' quality of life and sense of community.

(2) Public spaces are essential for supporting economic activity and health and well-being throughout the pandemic and for building engaged, equitable, and resilient communities in the future.

(3) Vermont's downtowns and villages increasingly depend on inviting public spaces that are robustly programmed to restore our distinct sense of place; strengthen community pride and identity; and attract businesses, jobs, and talent.

(4) Placemaking projects intentionally leverage the power of the arts and cultural assets to strengthen the economic and social fabric of communities and allow for growth and transformation that builds upon local and regional character, culture, and quality of place.

(5) Research shows that community-driven placemaking projects increase economic and civic vitality and create spaces where commerce thrives, social connections flourish, civic participation increases, and residents are empowered to take ownership of their future to build healthier and equitable local economies.

(b) It is the intent of the General Assembly to:

(1) enhance the livability and unique sense of place in Vermont's downtowns and villages by providing funding, training, and resources to support investments in public spaces and local placemaking projects that build prosperous, equitable, healthy, and resilient communities;

(2) promote healthy, safe, equitable, and vibrant downtowns, villages, and neighborhoods for people of all ages, abilities, backgrounds, and incomes by increasing public space and placemaking investments in local communities;

(3) strategically coordinate and simplify the funding process from multiple community development funders, streamline the grantmaking and distribution process, democratize community access to grant funds, and provide communities a nimble, flexible source to quickly fund and launch community-driven placemaking projects to make positive and enduring change locally; and

(4) help local leaders identify, develop, and implement placemaking projects by creating the Better Places Program to advance local recovery efforts, rebuild local economies, boost local capacity, and reconnect Vermonters to one another—critical elements that help communities recover quickly and build prosperous and resilient communities in the future.

Sec. H.6 24 V.S.A. § 2799 is added to read:

§ 2799. BETTER PLACES PROGRAM; CROWD GRANTING

(a)(1) There is created the Better Places Program within the Department of Housing and Community Development, and the Better Places Fund, which the Department shall manage pursuant to 32 V.S.A. chapter 7, subchapter 5.

(2) The purpose of the Program is to utilize crowdfunding to spark community revitalization through collaborative grantmaking for projects that create, activate, or revitalize public spaces.

(3) The Department may administer the Program in coordination with and support from other State agencies and nonprofit and philanthropic partners.

(b) The Fund is composed of the following:

(1) State or federal funds appropriated by the General Assembly;

(2) gifts, grants, or other contributions to the Fund; and

(3) any interest earned by the Fund.

(c) As used in this section, “public space” means an area or place that is open and accessible to all people with no charge for admission and includes village greens, squares, parks, community centers, town halls, libraries, and other publicly accessible buildings and connecting spaces such as sidewalks, streets, alleys, and trails.

(d)(1) The Department of Housing and Community Development shall establish an application process, eligibility criteria, and criteria for prioritizing

assistance for awarding grants through the Program.

(2) The Department may award a grant to a municipality, a nonprofit organization, or a community group with a fiscal sponsor for a project that is located in or serves a designated downtown, village center, new town center, or neighborhood development area that will create a new public space or revitalize or activate an existing public space.

(3) The Department may award a grant to not more than one project per calendar year within a municipality.

(4) The minimum amount of a grant award is \$5,000.00 and the maximum amount of a grant award is \$40,000.00.

(5) The Department shall develop matching grant eligibility requirements to ensure a broad base of community and financial support for the project, subject to the following:

(A) A project shall include in-kind support and matching funds raised through a crowdfunding approach that includes multiple donors.

(B) An applicant may not donate to its own crowdfunding campaign.

(C) A donor may not contribute more than \$10,000.00 or 35 percent of the campaign goal, whichever is less.

(D) An applicant shall provide matching funds raised through crowdfunding of not less than 33 percent of the grant award.

(e) The Department of Housing and Community Development, with the assistance of a fiscal agent, shall distribute funds under this section in a manner that provides funding for projects of various sizes in as many geographical areas of the State as possible.

(f) The Department of Housing and Community Development may use up to 15 percent of any appropriation to the Fund from the General Fund to assist with crowdfunding, administration, training, and technological needs of the Program.

Sec. H.7 APPROPRIATION

The Agency of Commerce and Community Development shall transfer the amount of \$1,500,000.00 appropriated to it in Sec. G.300(a)(17) for a Better Places grant program to the Better Places Fund to provide grants in 2021, 2022, 2023, and 2024.

Sec. H.8 BETTER PLACES PROGRAM; REPEAL; EFFECTIVE DATE

24 V.S.A. § 2799 (Better Places Program and Fund) is repealed on July 1, 2024.

Sec. H.9 BETTER PLACES PROGRAM; REPORT

(a) The Department of Housing and Community Development shall submit to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development annual reports on or before April 15 of 2022, 2023, and 2024 regarding the activities of the Better Places Program:

(b) The reports shall:

(1) summarize the Program activities in the preceding year and report on the number of awarded grants and the total grant funds allocated;

(2) report on partner resources and contributions to the Program; and

(3) report on any measurable economic activity, which may include the number of jobs created, the number of visitors, the approximate number of square feet to be activated or redeveloped, and the number of volunteers engaged in the project.

* * * International Business Attraction and Investment Program * * *

Sec. H.10 FINDINGS

(a) The General Assembly finds:

(1) Business investment by Canada-based businesses provides the opportunity to generate increased employment, increase the range of job opportunities for Vermonters, and increase the dynamism of our communities.

(2) From the past work of the Department of Economic Development, we know that small- and mid-sized businesses in Quebec, Ontario, and other provinces in the region have a natural inclination to explore Vermont as the site for expansion in the U.S. market.

(3) Developing a program to attract businesses and investment from Canada-based businesses and engaging the services of a foreign trade representative to provide local recruitment support can allow the State and its businesses to tap resources of institutions, enterprises, and people to a greater degree and to develop lead generation services, expansion monitoring, in-market representation, market intelligence, and the ability to engage and nurture high-growth companies primed for expansion.

(4) It is the intent of the General Assembly to fund the services of a foreign trade representative for two years in order to begin the work of cultivating relationships with Canada-based partners and developing prospects for attracting business relocation and investment in Vermont.

Sec. H.11 APPROPRIATION; REPORT

(a) The Agency of Commerce and Community Development shall use the \$300,000.00 appropriated from the General Fund in Sec. G.300(b)(1) of this act to provide funding for up to two years for a contract with a foreign trade representative consistent with this act.

(b) On or before January 15, 2022, the Agency of Commerce and Community Development shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning:

- (1) the terms of the contract; and
- (2) metrics to evaluate success of the contract and the representative.

(b) On or before January 15, 2023, the Agency of Commerce and Community Development shall report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning:

- (1) the type and number of business contacts and engagement;
- (2) the type of businesses, jobs, and wages brought to the State; and
- (3) recommendations concerning the continuation or expansion of the program.

* * * Workforce Development and Education * * *

Sec. H.12 WORKFORCE DEVELOPMENT AND EDUCATION

(a) Findings.

(1) Due to the COVID-19 public health emergency, the Vermont State Colleges have experienced a significant decrease in applications, and the board of directors has voted to freeze tuition for the 2021–2022 academic year both to keep students’ costs low and to mitigate the economic impact of COVID-19 on enrollment.

(2) Deposit activity, a signal of anticipated enrollment for the fall 2021 semester, has declined between five and 20 percent at two of the four VSC institutions, and FAFSA filing for Vermont is down seven percent year over year.

(3) While the enrollment gap is narrowing from earlier in the fall, it is still significantly wider than normal due to the complexities of how the pandemic is affecting Vermont’s high schools and high school students, for example, due to remote learning and the necessity for guidance counselors to broaden the reach of their services to struggling students.

(4)(A) The federal Pell Grant eligibility for first-time, full-time Vermont students is high, signifying that families are financially distressed.

(B) In the fall of 2019, the percentage of first-time, full-time students who were Pell eligible were as follows: CCV (57 percent), CU (39 percent), NVU (49 percent), and VTC (41 percent).

(C) These students, already economically disadvantaged, are disproportionately impacted by the pandemic and related economic crisis.

(5) In addition to increasing the needs of Vermont's secondary and postsecondary students, the COVID-19 pandemic has also placed significant burden on the Vermont workforce, which can benefit from expanded opportunities available at the Vermont State Colleges.

(b) Purpose. In light of these findings, it is the intent of the General Assembly to provide funding to expand opportunities for education at the Vermont State Colleges for Vermonters:

(A) who have been impacted by the COVID-19 pandemic through layoffs, furloughs, or reduced hours or due to being employed in an industry that has been severely affected; and

(B) who are pursuing education and training and require educational assistance and other support due to economic harm and lost opportunities arising from the COVID-19 public health emergency.

Sec. H.13 MICROBUSINESS DEVELOPMENT PROGRAM; EMBRACE

(a) The General Assembly finds that the Microbusiness Development Program has demonstrated the capability to help individuals lift themselves out of poverty by providing the technical support and financial assistance necessary to start and sustain entrepreneurial enterprises.

(b) To continue the success of the Microbusiness Development Program, in fiscal year 2022, the General Assembly has appropriated the following amounts in this act:

(1) the amount of \$200,000.00 in additional base funding from the General Fund to the Department for Children and Families, Office of Economic Opportunity, for pass-through grants to the Community Action Agencies to provide funding for the regional Microbusiness Development Programs pursuant to 3 V.S.A. § 3722; and

(2) the amount of \$2,000,000.00 from the funds available to the State under the American Rescue Plan Act of 2021 to the Department for Children and Families, Office of Economic Opportunity, to be granted to the Community Action Agencies for the Statewide Community Action Network's

Economic Micro Business Recovery Assistance for the COVID-19 Epidemic (EMBRACE) to assist the Vermont microbusiness owners impacted by COVID-19 and for new businesses started by individuals who have been impacted by the COVID-19 pandemic through layoffs, furloughs, or reduced hours or due to being employed in an industry that has been severely affected.

Sec. H.14 STATE BUSINESS DEVELOPMENT; BLACK, INDIGENOUS,
AND PERSONS OF COLOR

(a) Intent.

(1) Racial wealth disparities are a function of not only access to income but also the ability to start and sustain a business, access land, and own property.

(2) Vermont embraces its responsibility to course correct the historical impact of economic exploitation and exclusion from opportunity due to race and ethnicity for American descendants of slavery and the broader Black, Indigenous, and Persons of Color community.

(3) In order to rectify this history of inequity, it is the intent of this General Assembly to acknowledge and address wealth disparity and cultural disempowerment by creating economic opportunity and cultural empowerment, using new systems that empower Vermonters who have historically suffered from discrimination and lacked equal access to public or private economic benefits due to race, ethnicity, geography, language preference, and immigrant or citizen status.

(b) Findings.

(1) The Vermont Partnership for Fairness and Diversity conducted a survey of BIPOC businesses after the Emergency Recovery Grant programs closed. The survey analysis included three core recommendations: form a state BIPOC Commission, create a BIPOC business association, and improve data collection and the State's understanding of BIPOC business needs.

(2) The Committee sought information from over a dozen BIPOC business and community and State leaders to learn what BIPOC businesses need to be economically successful in Vermont. Core findings included:

(A) allow BIPOC businesses to lead and define how to strengthen economic development for BIPOC-owned businesses and what organizational structures would best support the Vermont BIPOC business community;

(B) offer more support to BIPOC businesses by assisting them in procuring State contracts, securing capital investment and customer cultivation, and finding technical support;

(C) improve language access and cultural competency practices within State economic development programs and strengthen connections to BIPOC businesses; and

(D) improve State data collection to better serve the variety of identities represented within the BIPOC community.

(3)(A) The Secretary of State, in cooperation with the Agency of Digital Services, is leading the development project for the creation of a business portal to deliver a single point of entry for Vermont businesses to interact with the State across multiple agencies and departments.

(B) When the portal becomes active, which is projected to occur in 2022, the Secretary of State will collect data on race, ethnicity, and gender for individuals registering businesses.

(c) BIPOC business development project.

(1)(A) The Agency of Commerce and Community Development shall use the \$150,000.00 appropriated in Sec. G.300(a)(18) to provide funding for one or more contractors to convene BIPOC businesses, organizations, and community leaders; other business organizations; and representatives from the Agency of Commerce and Community Development and other State agencies and departments as necessary, to create a set of recommendations on how to support BIPOC business development, which may include the creation of a BIPOC business network, the creation of minority business development center or authority, or one or more other similar entities or organizations.

(B) Not more than five percent of the amount appropriated in this section may be used for administrative purposes, including translation services.

(2) The Executive Director of Racial Equity and the Racial Equity Advisory Panel, with the collaboration and support of the Agency of Commerce and Community Development, shall:

(A) issue a request for proposals on or before August 15, 2021; and

(B) finalize hiring and ensure that work under any contracts issued begins on or before October 15, 2021.

(3)(A) The request for proposals shall include the following requirements for a qualified contractor:

(i) demonstrated experience working with BIPOC businesses or populations, or both;

(ii) knowledge of the Vermont business industries and concentrations of BIPOC-owned businesses;

(iii) proposal on how to convene stakeholders, provide information, and conduct outreach that includes language access for limited English-proficient individuals;

(iv) economic and business development expertise; and

(v) experience in organizational structures.

(B) In making their selection, the Panel, Executive Director, and Agency shall give priority to a contractor with experience working with BIPOC-owned businesses and knowledge of the Vermont business community.

(C) The Agency shall cause the request for proposals to be translated upon request of a potential applicant.

(4)(A) On or before February 15, 2022, each contractor shall deliver to the Panel, the Director, the Agency, and the legislative committees of jurisdiction a preliminary report on financial resources and policy changes needed to support BIPOC business development.

(B) On or before July 1, 2022, each contractor shall submit a final report summarizing the process and deliberations and a final set of recommendations on what entities, organizations, or other measures will best support BIPOC business development.

(d) Collection of data.

(1)(A) The Secretary of State shall collect race, ethnicity, and gender data for individuals registering businesses in the State of Vermont as part of its business portal and for individuals seeking licensure, certification, or registration through the Office of Professional Regulation.

(B) The Secretary shall ensure that data collection pursuant to this subsection is achieved through voluntary procedures and the collection of data does not affect, and does not create the perception that the information provided affects, any action of the Secretary or the Office of Professional Regulation.

(2) The Secretary shall provide data from the portal and from the Office of Professional Regulation to the Secretary of Administration, who shall make the data available to relevant agencies and departments within State government to inform economic development policy priorities and strategies as it relates to BIPOC-, women-, and gender non-binary-owned businesses and their needs as businesses and employers.

(3) Once completed, the Secretary of State shall incorporate recommendations related to data collection from the BIPOC business development project created in this section.

Sec. H.15 ENTREPRENEURS' SEED CAPITAL FUND

(a) Entrepreneurs' Seed Capital Fund. The Entrepreneurs' Seed Capital Fund, created by the Vermont Economic Development Authority pursuant to 10 V.S.A. § 291, is a \$5.1 million revolving "evergreen" capital fund in operation since 2010 serving Vermont's entrepreneurs and early-stage technology-enabled companies for job growth, income potential, and wealth creation. Since inception, the Fund's portfolio companies have now raised in excess of \$182 million. The Fund is professionally managed by the Vermont Center for Emerging Technologies (VCET).

(b) Appropriation. The General Assembly has appropriated the amount of \$900,000.00 from the General Fund to the Entrepreneurs' Seed Capital Fund in Sec. G.300(b)(2) of this act to provide risk stage seed capital to Vermont businesses that have experienced economic disruption either through reduced business, new business formation, or through an unmanageable increase in new business.

(c) Investment; categories. Notwithstanding any provision of 10 V.S.A. § 290 to the contrary, the Fund shall invest in businesses consistent with the following:

(1) The Fund shall invest in rapid seed and early growth stage employers that have a viable plan for recovery and growth.

(2) The Fund shall make expedited investments using simplified investment terms and instruments, including stock, convertible notes, forgivable loans, royalty financing, or grants with equity warrants.

(3) The expected range per new investment is \$20,000.00 to \$100,000.00 from this appropriation.

(4) The Fund shall prioritize sourcing and funding on BIPOC-, veteran-, and women-owned businesses.

(5) In continuing to serve the Vermont innovation ecosystem and notwithstanding the expedited program timeline, the Fund shall pursue co-investment participation from local and regional investors, including Vermont venture funds, family offices, community foundations, accredited individual "angel" investors, lending institutions, and other relevant sources.

(6) Prior to providing seed capital, the Fund may ensure that an applicant has consulted with, and has accessed any available funding from, the Vermont Economic Development Authority.

(d) Eligibility. For-profit Vermont businesses are eligible except where other significant State appropriated Coronavirus Relief Fund program resources have been directed. These excluded sectors include:

- (1) traditional in-person retail operations;
- (2) lodging, hospitality, and real estate operations; and
- (3) restaurants and food service operations.

Sec. H.16 10 V.S.A. § 291(b)(3) is amended to read:

(3)(A) Before the Fund makes any investments, the Fund shall have and maintain a board of five advisors who shall be appointed as follows: two shall be appointed by the Authority, two shall be appointed by the Fund manager, and one shall be appointed jointly by the Authority and the Fund manager.

(B) The appointing authorities shall coordinate their appointments to ensure that the Board comprises advisors with diverse professional and personal backgrounds and experiences.

(C) The Board of Advisors shall represent solely the economic interest of the State with respect to the management of the Fund and shall have no civil liability for the financial performance of the Fund.

(D) The Board of Advisors shall be advised of investments made by the Fund and shall have access to all information held by the Fund with respect to investments made by the Fund.

Sec. H.17 SEED CAPITAL FUND; REPORT

On or before January 15, 2022 the Seed Capital Fund shall report to the Senate Committee on Economic Development, Housing and General Affairs and to the House Committee on Commerce and Economic Development concerning:

(1) whether and how the Fund and the Vermont Economic Development Authority can integrate preferential treatment and provide continuing investment through its lending programs for businesses that have received capital investment from the Fund; and

(2) the Fund's efforts and outcomes to prioritize sourcing and providing funding to BIPOC-, veteran-, and women-owned businesses pursuant to Sec. H.16 of this act.

* * * Capital Investment Grants * * *

Sec. H.18 CAPITAL INVESTMENT GRANT PROGRAM

(a) Creation; purpose; regional outreach.

(1) The Agency of Commerce and Community Development shall use the \$10,580,000 appropriated to the Department of Economic Development in Sec. G.300(a)(12) of this act to design and implement a capital investment grant program consistent with this section.

(2) The purpose of the program is to make funding available for transformational projects that will provide each region of the State with the opportunity to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth.

(3) The Agency shall collaborate with other State agencies, regional development corporations, regional planning commissions, and other community partners to identify potential regional applicants and projects to ensure the distribution of grants throughout the regions of the State.

(b) Eligible applicants.

(1) To be eligible for a grant, an applicant shall meet the following criteria:

(A) The applicant is located within this State.

(B) The applicant is:

(i)(I) a for-profit entity with not less than a 10 percent equity interest in the project; or

(II) a nonprofit entity; and

(ii) grant funding from the Program represents not more than 50 percent of the total project cost.

(C) The applicant demonstrates:

(i) community and regional support for the project;

(ii) that grant funding is needed to complete the project;

(iii) leveraging of additional sources of funding from local, State, or federal economic development programs; and

(iv) an ability to manage the project, with requisite experience and a plan for fiscal viability.

(2) The following are ineligible to apply for a grant:

(A) a State or local government-operated business;

(B) a municipality;

(C) a business that, together with any affiliated business, owns or operates more than 20 locations, regardless of whether those locations do business under the same name or within the same industry; and

(D) a publicly-traded company.

(c) Awards; amount; eligible uses.

(1) An award shall not exceed the lesser of \$1,500,000.00 or the estimated net State fiscal impact of the project based on Agency modeling.

(2) A recipient may use grant funds for the acquisition of property and equipment, construction, renovation, and related capital expenses.

(3) A recipient may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same costs within the same project.

(4) The Agency shall release grant funds upon determining that the applicant has met all Program conditions and requirements.

(5) Nothing in this section is intended to prevent a grant recipient from applying for additional grant funds if future amounts are appropriated for the program.

(d) Data model; approval.

(1) The Agency shall collaborate with the Legislative Economist to design a data model and related methodology to assess the fiscal, economic, and societal impacts of proposals and prioritize them based on the results.

(2) The Agency shall present the model and related methodology to the Joint Fiscal Committee for its approval not later than September 1, 2021.

(e) Application process; decisions; awards.

(1)(A) The Agency shall accept applications on a rolling basis for three-month periods and shall review and consider for approval the group of applications it has received as of the conclusion of each three-month period.

(B) The Agency shall make application information available to the Legislative Economist and the Executive Economist in a timely manner.

(2) Using the data model and methodology approved by the Joint Fiscal Committee, the Agency shall analyze the information provided in an application to estimate the net State fiscal impact of a project, including the following factors:

(A) increase to grand list value;

(B) improvements to supply chain;

(C) jobs impact, including the number and quality of jobs; and

(D) increase to State GDP.

(3) The Secretary of Commerce and Community Development shall appoint an interagency team, which may include members from among the Department of Economic Development, the Department of Housing and

Community Development, the Agency of Agriculture, Food and Markets, the Department of Public Service, the Agency of Natural Resources, or other State agencies and departments, which team shall review, analyze, and recommend projects for funding based on the estimated net State fiscal impact of a project and on other contributing factors, including:

(A) transformational nature of the project for the region;

(B) project readiness, quality, and demonstrated collaboration with stakeholders and other funding sources;

(C) alignment and consistency with regional plans and priorities;
and

(D) creation and retention of workforce opportunities.

(4) The Secretary of Commerce and Community Development shall consider the recommendations of the interagency team and shall give final approval to projects.

(f) Grant agreements; post award monitoring. If selected by the Secretary, the applicant and the Agency shall execute a grant agreement that includes audit provisions and minimum requirements for the maintenance and accessibility of records that ensures that the Agency and the Auditor of Accounts have access and authority to monitor awards.

(g) Report. On or before December 15, 2021 the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including:

(1) a description of the implementation of the program;

(2) the promotion and marketing of the program;

(3) an analysis of the utilization and performance of the program, including the projected revenue impacts and other qualitative and quantitative returns on investment in the program based on available data and modeling.

* * * Economic Recovery Grants * * *

Sec. H.19 ECONOMIC RECOVERY GRANTS

(a) The Agency of Commerce and Community Development shall use the \$20,000,000.00 appropriated to it in Sec. G.300(a)(13) of this act for Economic Recovery grants and the amounts appropriated to it in 2021 Acts and Resolves No. 9, Sec. 3 to provide grants to businesses consistent with the requirements of that Sec. 3 and further subject to the following:

(1) The value of a grant shall not exceed the lesser of a business's net adjusted loss, three months of fixed expenses, or \$150,000.00.

(2) The Agency shall defer final calculation and payment of grant awards for a reasonable period of time to determine the availability of COVID-19-related financial assistance from other State and federal sources.

(3) The Agency may adjust the calculation of tax loss for non-COVID-19-related items, including carryforward losses and depreciation.

(b) The Agency of Commerce and Community Development shall provide grants to businesses subject to the provisions and guidance controlling economic relief funds that are available through the American Rescue Plan Act of 2021, as follows:

(1) Program to respond to economic harm.

(A) The Agency shall design and implement the economic recovery grant program to ensure that grants provided to businesses respond to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts.

(B) In assessing whether a program or service "responds to" the COVID-19 public health emergency, the Agency shall, first, identify a need or negative impact of the COVID-19 public health emergency and, second, identify how the program addresses the identified need or impact.

(2) Program response is related and proportional to harm.

(A) The Agency shall ensure that its program response is related and reasonably proportional to the extent and type of harm experienced.

(B) Uses that bear no relation or are grossly disproportionate to the type or extent of harm experienced are not eligible uses.

(3) Economic harm resulting from or exacerbated by COVID-19.

(A) The Agency shall design and implement the economic recovery grant program to address economic harms resulting from or exacerbated by the public health emergency.

(B) The Agency shall assess the connection between the negative economic harm and the COVID-19 public health emergency, the nature and extent of that harm, and how the use of this funding would address such harm.

(C) While recognizing that economic impacts may either be immediate or delayed, the Agency shall not provide assistance to a business that did not experience a negative economic impact from the public health emergency and that therefore would not be an eligible recipient of funds.

(4) Recognizing harm to certain industries.

(A) The Agency shall recognize that certain industries, such as tourism, travel, and hospitality, were disproportionately and negatively impacted by the COVID-19 public health emergency. Aid provided to tourism, travel, and hospitality industries should respond to the negative economic impacts of the pandemic on those and similarly impacted industries.

(B) Aid may be considered responsive to the negative economic impacts of the pandemic if it supports businesses, attractions, business districts, and Tribal development districts operating prior to the pandemic and affected by required closures and other efforts to contain the pandemic.

(C) When considering providing aid to industries other than tourism, travel, and hospitality, the Agency shall consider the extent of the economic impact as compared to tourism, travel, and hospitality.

(D) The Agency shall also consider whether impacts were due to the COVID-19 pandemic, as opposed to longer-term economic or industrial trends unrelated to the pandemic.

(c) On or before December 15, 2021, the Agency shall submit a report to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs concerning the implementation of this section, including detailed information concerning business grant recipients and recommendations for any necessary legislative action to adjust program criteria and benefits.

* * * Apprenticeships * * *

Sec. H.20 APPRENTICESHIPS

(a) The Department shall use the \$2,000,000.00 appropriated to it in Sec. G.300(a)(6) of this act for the expansion of registered apprenticeship enrollment in current or new programs as described below:

(1) The Department shall use not more than \$100,000.00 to conduct a comprehensive outreach and recruitment effort to enroll new workers into a federally recognized registered apprenticeship program.

(2) The Department shall use not more than \$1,525,000.00 for related instruction or on-the-job training costs for new apprentices and shall develop a standard system of for application for reimbursement not later than August 1, 2021.

(3) The Department shall use not more than \$375,000.00 to provide vouchers of not more than \$750.00 for new apprentices or their sponsors to pay for equipment, tools, supplies, or textbooks needed during their first year.

(b) The Department may use not more than eight percent of the amounts appropriated in this section to administer the grants and activities described above.

(c) The Department shall provide funding pursuant to this section consistent with the following priorities:

(1) expanding new apprenticeship opportunities rather than supplanting existing employer-funded opportunities;

(2) supporting vocations that otherwise lack, or are unlikely to have sufficient, sources of funding for apprenticeships;

(3) prioritizing apprenticeship enrollment in building or trades programs;

(4) identifying and accessing other sources of funds for apprenticeships specifically available to certain vocations;

(5) targeting where apprenticeship training can leverage other funds;
and

(6) prioritizing readily expandable building trade apprenticeships.

* * * Effective Dates * * *

Sec. I.100 EFFECTIVE DATES

(a) This section and Secs C.100 through C.116 (fiscal year 2021 one-time appropriations, adjustment and amendments), Sec. E.128.1 (legislative facility coordinator), Sec. F.112 (one-time salary payments authorized), Sec. G.400(b)(1) (affordable housing initiatives), and Sec. G.700(b) (State-owned dams) shall take effect upon passage.

(b) Notwithstanding 1 V.S.A. § 214, Sec. E.306.1 (Vermont Health Benefit Exchange) shall take effect on October 1, 2021.

(c) Notwithstanding 1 V.S.A. § 214, Sec. E.501.1(a) shall take effect retroactively on July 1, 2020.

(d) All remaining sections shall take effect on July 1, 2021.

And by renumbering all of the sections of the bill to be numerically correct (including internal references) and adjusting all of the totals to be arithmetically correct.

*M. JANE KITCHEL
RICHARD W. SEARS, JR.
RICHARD A. WESTMAN*

Committee on the part of the Senate

MARY S. HOOPER
PETER J. FAGAN
KIMBERLY JESSUP

Committee on the part of the House

Thereupon, the question, Shall the Senate accept and adopt the report of the Committee of Conference?, was decided in the affirmative on a roll call, Yeas 30, Nays 0.

Senator Sears having demanded the yeas and nays, they were taken and are as follows:

Roll Call

Those Senators who voted in the affirmative were: Balint, Baruth, Benning, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Hooker, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Nitka, Parent, Pearson, Perchlik, Pollina, Ram, Sears, Sirotkin, Starr, Terenzini, Westman, White.

Those Senators who voted in the negative were: None.

Recess

On motion of Senator Balint the Senate recessed until the fall of the gavel.

Called to Order

The Senate was called to order by the President.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 29.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Balint,

J.R.S. 29. Joint resolution relating to final adjournment of the General Assembly 2021.

Resolved by the Senate and House of Representatives:

That when the President of the Senate and the Speaker of the House of Representatives adjourn their respective houses on the twenty-first or twenty-second day of May, 2021 they shall do so to reconvene on the twenty-third day of June, 2021, at ten o'clock in the forenoon as the Governor has failed to sign S. 107 and returned it to the house of origin with his objections in writing, then to reconvene on the nineteenth day of October, 2021, at ten o'clock in the forenoon on the joint call of the President *pro tempore* of the Senate and the

Speaker of the House, or on the fourth day of January, 2022, at ten o'clock in the forenoon, if not so jointly called.

Rules Suspended; Bill Messaged

On motion of Senator Balint, the rules were suspended, and the following bill was ordered messaged to the House forthwith:

H. 439.

Rules Suspended; House Proposal of Amendment Concurred In

J.R.S. 24.

Appearing on the Calendar for notice, on motion of Senator Balint, the rules were suspended and House proposal of amendment to joint Senate resolution entitled:

Joint resolution relating to amending temporary Joint Rule 22A.

Was taken up for immediate consideration.

The House proposes to the Senate that the resolution be amended by striking out all after the title and inserting in lieu thereof the following:

Resolved by the Senate and House of Representatives:

That Temporary Joint Rule 22A is amended to read as follows:

Rule 22A Emergency Rule Regarding Joint Committee Meetings

(a) The Joint Rules Committee is vested with the authority to permit any joint committees of the Vermont Legislature (including itself and Conference Committees) to meet and vote electronically as the Joint Rules Committee determines appropriate. If necessary, the Joint Rules Committee may make this authorization remotely in conformity with this Rule.

(b) ~~The authority of the Joint Rules Committee under this Rule 22A terminates upon the expiration of the Executive's Declared Emergency~~ shall only be in effect through the 30 days following the date on which the Governor rescinds all remaining capacity restrictions at gatherings and events and mask and physical distancing requirements issued under the Governor's Declaration of a State of Emergency in Response to COVID-19 as determined by the Joint Rules Committee.

(c) Notwithstanding the provisions of subsection (b) of this rule, if the Governor thereafter reissues capacity restrictions at gatherings and events or requires masks and physical distancing in response to COVID-19, the Joint Rules Committee is again authorized to meet remotely and to permit any joint committees of the Legislature to meet and vote electronically as the Joint Rules Committee determines appropriate., and be it further

Resolved: If the Joint Rules Committee determines that there should be conditions on the public entering the State House or other legislative meeting spaces, or limitations on access to legislative meeting spaces, due to air quality or construction, the inability to comply with Centers for Disease Control and Prevention guidelines, or other similar reasons, the Joint Rules Committee is authorized to issue orders to the Sgt at Arms that condition or limit that public access.

And that after passage the title of the resolution be amended to read:

Joint resolution relating to amending temporary Joint Rule 22A and to public access to the State House or other legislative meeting spaces.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided in the affirmative.

Senate Concurrent Resolutions

The following joint concurrent resolutions, having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted on the part of the Senate:

By Senator Mazza,

S.C.R. 6.

Senate concurrent resolution honoring WCAX weather director and anchor Sharon Meyer for her outstanding achievements as a broadcast meteorologist.

By Senators Parent and Chittenden,

S.C.R. 7.

Senate concurrent resolution congratulating the Hickok & Boardman Insurance Group on its bicentennial.

By Senators Clarkson, McCormack and Nitka,

S.C.R. 8.

Senate concurrent resolution commemorating the 150th anniversary of the Billings Farm.

By Senator Champion,

By Reps. Corcoran and others,

S.C.R. 9.

Senate concurrent resolution commemorating the 50th anniversary of the Seall community juvenile offender residency program.

House Concurrent Resolutions

The following joint concurrent resolutions having been placed on the consent calendar on the preceding legislative day, and no Senator having requested floor consideration as provided by the Joint Rules of the Senate and House of Representatives, were severally adopted in concurrence:

By Rep. Jessup,

H.C.R. 69.

House concurrent resolution recognizing May 2021 as EDS and HSD Awareness Month in Vermont.

By Reps. Till and Squirrell,

H.C.R. 70.

House concurrent resolution remembering the life achievements of former Representative Robert Willard Cochran of Jericho and his wife, Willadine (Orton) Cochran.

By Reps. Burditt and others,

By Senators Collamore, Hooker and Terenzini,

H.C.R. 71.

House concurrent resolution congratulating the 2021 Proctor High School Phantoms on winning a second consecutive Division IV boys' basketball championship.

By All Members of the House,

H.C.R. 72.

House concurrent resolution honoring the Vermont Department of Health for its exemplary public service during the COVID-19 Pandemic.

By Reps. Hooper and Ode,

H.C.R. 73.

House concurrent resolution honoring the Living Well Group's staff and volunteers for their superb elder-care services during the COVID-19 pandemic.

By Reps. Brumsted and Webb,

H.C.R. 74.

House concurrent resolution in memory of former Representative George Anthony Schiavone of Shelburne.

By Reps. Burditt and others,

By Senators Collamore, Hooker and Terenzini,

H.C.R. 75.

House concurrent resolution congratulating the Proctor High School Lady Phantoms on their second consecutive designation as the Division IV girls' basketball championship team.

Message from the House No. 83

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered joint resolution originating in the Senate of the following title:

J.R.S. 29. Joint resolution relating to final adjournment of the General Assembly 2021.

And has adopted the same in concurrence.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 439. An act relating to making appropriations for the support of government.

And has adopted the same on its part.

Secretary Directed to Inform the House of Completion of Business

On motion of Senator Balint, the Secretary was directed to inform the House that the Senate has completed the business of the session and is ready on its part to adjourn, pursuant to the provisions of J.R.S. 29.

Committee Appointed to Inform Governor of Completion of Business

On motion of Senator Balint, the President appointed the following three Senators as members of a Committee to wait upon His Excellency, Philip B. Scott, the Governor, and inform him that the Senate has completed the business of the session and is ready on its part to adjourn, pursuant to the provisions of J.R.S. 29:

Senator Clarkson
Senator Brock
Senator Pollina

Report of Committee

The Committee appointed to wait upon His Excellency, the Governor, to inform him that the Senate had, on its part, completed the business of the session and was ready to adjourn, pursuant to the provisions of J.R.S. 29, performed the duties assigned to it and escorted the Governor to the virtual rostrum where he delivered his remarks.

Remarks of Governor

The Honorable Philip B. Scott, Governor of the State of Vermont, was escorted to the virtual rostrum and briefly addressed the Senate.

Departure of Governor

The Governor completed the delivery of his message virtually.

Final Adjournment

On motion of Senator Balint, at three o'clock and twenty-five minute in the afternoon (3:25 P.M.), the Senate adjourned, pursuant to the provisions of J.R.S. 29.

Messages Received After Final Adjournment

After final adjournment, the following messages were received by the Secretary:

Message from the House No. 84

A message was received from the House of Representatives by Ms. Alona Tate, its Second Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that the House has on its part completed the business of the first half of the Biennial session and is ready to adjourn pursuant to the provisions of J.R.S. 29.

Message from the House No. 85

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The House has considered Senate proposals of amendment to the following House bills:

H. 106. An act relating to equitable access to a high-quality education through community schools.

H. 289. An act relating to professions and occupations regulated by the Office of Professional Regulation.

H. 431. An act relating to miscellaneous energy subjects.

And has severally concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 69. House concurrent resolution recognizing May 2021 as EDS and HSD Awareness Month in Vermont.

H.C.R. 70. House concurrent resolution remembering the life achievements of former Representative Robert Willard Cochran of Jericho and his wife, Willadine (Orton) Cochran.

H.C.R. 71. House concurrent resolution congratulating the 2021 Proctor High School Phantoms on winning a second consecutive Division IV boys' basketball championship.

H.C.R. 72. House concurrent resolution honoring the Vermont Department of Health for its exemplary public service during the COVID-19 Pandemic.

H.C.R. 73. House concurrent resolution honoring the Living Well Group's staff and volunteers for their superb elder-care services during the COVID-19 pandemic.

H.C.R. 74. House concurrent resolution in memory of former Representative George Anthony Schiavone of Shelburne.

H.C.R. 75. House concurrent resolution congratulating the Proctor High School Lady Phantoms on their second consecutive designation as the Division IV girls' basketball championship team.

In the adoption of which the concurrence of the Senate is requested.

The House has considered concurrent resolutions originating in the Senate of the following titles:

S.C.R. 6. Senate concurrent resolution honoring WCAX weather director and anchor Sharon Meyer for her outstanding achievements as a broadcast meteorologist.

S.C.R. 7. Senate concurrent resolution congratulating the Hickok & Boardman Insurance Group on its bicentennial.

S.C.R. 8. Senate concurrent resolution commemorating the 150th anniversary of the Billings Farm.

S.C.R. 9. Senate concurrent resolution commemorating the 50th anniversary of the Seall community juvenile offender residency program.

And has adopted the same in concurrence.

The Governor has informed the House that on May 20, 2021, he approved and signed a bill originating in the House of the following title:

H. 421. An act relating to animal cruelty investigation response and training.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the first day of June, 2021 he approved and signed a bill originating in the Senate of the following title:

S. 62. An act relating to employee incentives, technical education, and unemployment insurance.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the seventh day of June, 2021 he approved and signed bills originating in the Senate of the following titles:

S. 3. An act relating to competency to stand trial and insanity as a defense.

S. 7. An act relating to expanding access to expungement and sealing of criminal history records.

S. 13. An act relating to Pupil Weighting Factors Report.

S. 15. An act relating to mailing out ballots, correcting defective ballots, and miscellaneous changes to State election laws.

S. 22. An act relating to health care practitioners administering stem cell products not approved by the U.S. Food and Drug Administration.

S. 25. An act relating to miscellaneous cannabis regulation procedures.

S. 47. An act relating to motor vehicle manufacturers, dealers, and warranty or service facilities.

S. 48. An act relating to Vermont's adoption of the interstate Nurse Licensure Compact.

S. 97. An act relating to miscellaneous judiciary procedures.

S. 115. An act relating to making miscellaneous changes in education laws.

Message from the Governor

A message was received from His Excellency, the Governor, by Ms. Brittney L. Wilson, Secretary of Civil and Military Affairs, as follows:

Madam President:

I am directed by the Governor to inform the Senate that on the fourteenth day of June, 2021 he approved and signed a bill originating in the Senate of the following title:

S. 86. An act relating to miscellaneous changes to laws related to vehicles and vessels.

Message from the House No. 86

A message was received from the House of Representatives by Ms. Melissa Kucserik, its First Assistant Clerk, as follows:

Madam President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 1, 2021, he returned without signature and vetoed bills originating in the House of the following titles:

H. 177. An act relating to approval of an amendment to the charter of the City of Montpelier.

H. 227. An act relating to approval of amendments to the charter of the City of Winooski.

Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 177** to the House is as follows:

“June 1, 2021

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State St.
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am

returning H.177, *An Act Relating to Approval of an Amendment to the Charter of the City of Montpelier* without my signature.

This is an important policy discussion that deserves further consideration and debate. Allowing a highly variable town-by-town approach to municipal voting creates inconsistency in election policy, as well as separate and unequal classes of residents potentially eligible to vote on local issues. I believe it is the role of the Legislature to establish clarity and consistency on this matter. This should include defining how municipalities determine which legal residents may vote on local issues, as well as specifying the local matters they may vote on. Returning these bills provides the opportunity to do this important work.

For these reasons I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I understand these charter changes are well-intentioned, but I ask the Legislature to revisit the issue of non-citizen voting in a more comprehensive manner and develop a statewide policy or a uniform template and process for those municipalities wishing to grant the right of voting in local elections to *all* legal residents.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”

Text of Communication from Governor

The text of the communication from His Excellency, the Governor, whereby he vetoed and returned unsigned **House Bill No. 227** to the House is as follows:

“June 1, 2021

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State St.
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I am returning H.227, *An Act Relating to Approval of Amendments to the Charter of the City of Winooski* without my signature.

This is an important policy discussion that deserves further consideration and debate. Allowing a highly variable town-by-town approach to

municipal voting creates inconsistency in election policy, as well as separate and unequal classes of residents potentially eligible to vote on local issues. I believe it is the role of the Legislature to establish clarity and consistency on this matter. This should include defining how municipalities determine which legal residents may vote on local issues, as well as specifying the local matters they may vote on. Returning these bills provides the opportunity to do this important work.

For these reasons I am returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution. I understand these charter changes are well-intentioned, but I ask the Legislature to revisit the issue of non-citizen voting in a more comprehensive manner and develop a statewide policy or a uniform template and process for those municipalities wishing to grant the right of voting in local elections to *all* legal residents.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp”

The Governor has informed the House that on June 1, 2021, he approved and signed bills originating in the House of the following titles:

H. 88. An act relating to the use value appraisal program..

H. 135. An act relating to the State Ethics Commission.

H. 140. An act relating to approval of amendments to the charter of the Town of Williston.

H. 171. An act relating to the governance and financing of Vermont’s child care system.

H. 225. An act relating to possession of a therapeutic dosage of buprenorphine.

H. 420. An act relating to miscellaneous agricultural subjects.

H. 430. An act relating to eligibility for Dr. Dynasaur-like coverage for all income-eligible children and pregnant individuals regardless of immigration status..

H. 434. An act relating to establishing the Agricultural Innovation Board.

H. 438. An act relating to capital construction and State bonding.

H. 445. An act relating to approval of an amendment to the charter of the Town of Underhill.