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H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

And pursuant to Temporary Rule 44A were referred to the Committee on Rules.

Bill Passed in Concurrence

H. 161.

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

An act relating to issuance of burning permits.

House Proposal of Amendment Concurred In

H. 222.

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

An act relating to reducing overdoses.

Was taken up.

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

First: In Sec. 9, 24 V.S.A. § 4412, in subdivision (1)(G)(i), by striking out the phrase "persons in recovery" and inserting in lieu thereof the word "tenants"

Second: By striking out Sec. 11, 18 V.S.A. § 4201, in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. 18 V.S.A. § 4201 is amended to read:

§ 4201. DEFINITIONS

As used in this chapter~~, unless the context otherwise requires~~:

* * *

(45) "Approved drug-checking service provider" means a provider who complies with operating guidelines developed by the Department of Health pursuant to section 4240a of this title.

(46) "Drug-checking" means the testing of a substance to determine its chemical composition or assist in determining whether the substance contains contaminants, toxic substances, or hazardous compounds.

Third: By striking out Sec. 12, 18 V.S.A. § 4240a, in its entirety and inserting in lieu thereof a new Sec. 12 to read as follows:

Sec. 12. 18 V.S.A. § 4240a is added to read:

§ 4240a. OVERDOSE PREVENTION; DRUG-CHECKING FOR CONTAMINANT DETECTION

(a) Notwithstanding any other provision of law, it shall not be a violation of this chapter for an approved drug-checking service provider to receive, possess, transport, or store samples of a substance that may contain a regulated drug solely for purposes of analyzing the substance to determine its chemical composition and disseminate information regarding the analysis to the provider of the substance.

(b) On-site approved drug-checking service providers shall be permitted to:

(1) collect voluntarily provided residual samples of substances potentially containing regulated drugs, possess, transport, or store samples of a regulated drug solely for purposes of analyzing the substances to determine its chemical composition as a lifesaving intervention;

(2) use any available technologies to analyze the contents of samples to obtain timely, highly accurate information regarding the composition of drugs to prevent overdose and mitigate health risks;

(3) provide results of analysis obtained from drug-checking technology to the person requesting drug services;

(4) disseminate data containing only the results of analysis and containing no personally identifiable information to community members at risk of overdose; and

(5) if necessary, arrange for a sample of a drug or substance to be tested by an approved laboratory.

(c) In operating any drug-checking service, personally identifiable information may be collected from a person providing a controlled substance to an approved drug-checking service provider only as necessary to communicate drug-checking results to the person. Personally identifiable information collected solely for the purposes of communicating drug-checking results shall not be retained or shared by an approved drug-checking service provider.

(d) An employee, contractor, volunteer, or other person acting in the good faith provision of drug-checking services and, acting in accordance with established protocols shall not:

(1) be subject to arrest, charge, or prosecution for a violation pursuant to this chapter, including for attempting to, aiding and abetting in, or conspiracy to commit a violation of this chapter;

(2) have their property subject to forfeiture, any civil or administrative penalty, or liability of any kind, including disciplinary action by a professional licensing board, credentialing restrictions, contractual or civil liability, or medical staff or other employment action; or

(3) be denied any right or privilege for actions, conduct, or omissions relating to the operation of a drug-checking service in compliance with this chapter and any rules adopted pursuant to this chapter.

(e) An individual possessing a regulated substance and who provides any portion of the substance to an approved drug-checking service provider pursuant to this section for purposes of obtaining drug-checking services shall not be subject to arrest, charge, or prosecution for possession of a regulated substance pursuant to this chapter or civil or administrative penalty or disciplinary action by a professional licensing board for a violation of this chapter based on the individual's use or attempted use of drug-checking services in accordance with this section. The immunity provisions of this subsection shall apply only to the use and derivative use of evidence gained as a proximate result of an individual seeking drug-checking services and shall not preclude prosecution of the individual on the basis of evidence obtained from an independent source.

(f) Local governments shall not collect, maintain, use, or disclose any personal information relating to an individual from whom local government receives any drug or substance for checking or disposal.

(g) The result of a test carried out by an approved drug-checking service provider shall not be admissible as evidence in any criminal or civil proceeding.

(h)(1) The Department shall provide technical assistance to and develop operating guidelines for drug-checking service providers.

(2) The Department shall coordinate the collection and dissemination of deidentified data related to drug-checking services to inform prevention and public health initiatives.

Fourth: In Sec. 13, 18 V.S.A. § 4774, in subdivision (a)(2), in the first sentence, by inserting the phrase "annually on or before January 15" after "subchapter, ~~as part of its annual budget submission,~~"

Fifth: In Sec. 14, appropriation; Opioid Abatement Special Fund, in subdivision (3)(A), by striking out the phrase "and within syringe service organizations"

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

Bill Passed in Concurrence

H. 102.

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

An act relating to the Art in State Buildings Program.

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. 206. An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

H. 305. An act relating to professions and occupations regulated by the Office of Professional Regulation.

Bill Passed in Concurrence

H. 414.

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

An act relating to establishing an unused drug repository for Vermont.

Bill Passed in Concurrence with Proposal of Amendment

H. 493.

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

An act relating to capital construction and State bonding.

Proposal of Amendment, Third Reading Ordered

H. 165.

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

An act relating to school food programs and universal school meals.

Reported that the bill ought to pass in concurrence.

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 by adding a reader assistance heading and new section to be Sec. 3a to read as follows:

* * * Appropriation * * *

Sec. 3a. APPROPRIATION; SCHOOL MEALS

The sum of $29,000,000.00 is appropriated from the Education Fund to the Agency of Education for fiscal year 2024 to provide reimbursement for school meals under 16 V.S.A. § 4017.

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 proposal of amendment of the Committee on Appropriations was agreed to.

Thereupon, pending the question, Shall the bill be read a third time?, Senator Williams moved that the Senate propose to the House to amend the bill in Sec. 3, 16 V.S.A. § 4017, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Approved independent schools. From State funds appropriated to the Agency from the Education Fund for the universal meals supplement, the Agency shall provide a universal meals supplement for the cost of each meal actually provided to each student enrolled in the approved independent school when meals are offered to all students at no charge pursuant to subdivision 1264(a)(1)(B) of this title.

(1) An approved independent school is eligible for the universal meals supplement only if it operates a food program that makes available a school lunch, as provided in the National School Lunch Act as amended, and a school breakfast, as provided in the Child Nutrition Act as amended, to each attending student who qualifies for those meals under these acts every school day.

(2) Reimbursement from State funds shall be available only to approved independent schools that maximize access to federal funds for the cost of the school breakfast and lunch program by participating in the Community Eligibility Provision under 7 C.F.R. § 245.9(f), or Provision 2 under 7 C.F.R. § 245.9(b), of these programs, or any other federal provision that in the opinion of the Agency draws down the most possible federal funding for meals served in that program. At the start of each school year, the Agency of Education may require that a school food authority requesting the universal meals supplement begin a new cycle of the relevant federal provision and

group sites in a manner the Agency determines will maximize the drawdown of federal funds.

(3) Second breakfasts, as allowed under 7 C.F.R. § 220.9(a), do not qualify for reimbursement under this subsection.

Thereupon, pending the question, Shall the Senate purpose to the House to amend the bill as recommended by Senator Williams?, Senator Williams requested and was granted leave to withdraw the proposal of amendment.

Thereupon, third reading of the bill was ordered.

Proposasl of Amendment; Third Reading Ordered

H. 492.

Senator Cummings, for the Committee on Finance, to which was referred House bill entitled:

An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

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

First: In Sec. 1, property dollar equivalent yield, income dollar equivalent yield, and nonhomestead property tax rate for fiscal year 2024, in subdivision (1) (property dollar equivalent yield), by striking out "$15,477.00" and inserting in lieu thereof $15,443.00

Second: In Sec. 1, property dollar equivalent yield, income dollar equivalent yield, and nonhomestead property tax rate for fiscal year 2024, in subdivision (2) (income dollar equivalent yield), by striking out "$17,577.00" and inserting in lieu thereof $17,537.00

Third: In Sec. 1, property dollar equivalent yield, income dollar equivalent yield, and nonhomestead property tax rate for fiscal year 2024, in subdivision (3) (nonhomestead property tax rate), by striking out "$1.388" and inserting in lieu thereof $1.391

Fourth: In Sec. 2, education fund reserve; property tax rate offset, by striking out both instances of "$22,000,000.00" and inserting in lieu thereof $13,000,000.00

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

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

House Proposal of Amendment to Senate Proposal of Amendment Concurred In with Further Proposal of Amendment

H. 53.

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

An act relating to driver's license suspensions.

Was taken up.

The House concurs in the Senate proposal of amendment with further amendment thereto by striking out Secs. 2 and 3 in their entireties and inserting in lieu thereof the following:

Sec. 2. IMPLEMENTATION

The Commissioner of Motor Vehicles shall not suspend any driver's licenses or privileges to operate that are not already suspended as of the effective date of this section solely for the nonpayment of a civil penalty for a traffic violation committed prior to the effective date of this section.

Sec. 3. LEGISLATIVE FINDINGS

The General Assembly finds that the Domestic and Sexual Violence Special Fund, created by 13 V.S.A. § 5360 and which receives $10.00 from each Judicial Bureau Surcharge imposed pursuant to 13 V.S.A. § 7282(a)(8)(D), might see decreased revenue if fewer individuals promptly pay judgments owed on traffic violations for which the imposition of points against the individual's driving record is authorized by law and that an increased revenue source is needed in order to ensure sufficient grant funding for the Vermont Network against Domestic and Sexual Violence and for the Criminal Justice Training Council position dedicated to domestic violence training.

Sec. 4. 32 V.S.A. § 1712 is amended to read:

§ 1712. TOWN CLERKS

Town clerks shall receive the following fees for issuing marriage licenses and vital event certificates:

(1) For issuing and recording a civil marriage license, ~~$60.00~~ $80.00 to be paid by the applicant, ~~$10.00~~ $15.00 of which sum shall be retained by the town clerk as a fee, ~~$35.00~~ $50.00 of which shall be deposited in the Domestic and Sexual Violence Special Fund created by 13 V.S.A. § 5360, and $15.00 of

which sum shall be paid by the town clerk to the State Treasurer in a return filed quarterly upon forms furnished by the State Treasurer and specifying all fees received by ~~him or her~~ the town clerk during the quarter. Such quarterly period shall be as of the first day of January, April, July, and October.

* * *

Sec. 5. EFFECTIVE DATES

(a) Sec. 4 (marriage licenses; 32 V.S.A. § 1712) shall take effect on July 1, 2023.

(b) All other sections shall take effect 30 calendar days after passage.

and that after passage the title of the bill be amended to read: "An act relating to driver's license suspensions and revenue for the Domestic and Sexual Violence Special Fund"

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, Senators Sears and Cummings moved that the Senate concur in the House proposal of amendment to the Senate proposal of amendment with an amendment as follows:

By striking out Sec. 5, effective dates, in its entirety and inserting in lieu thereof the following:

Sec. 5. 32 V.S.A. § 1712 is amended to read:

§ 1712. TOWN CLERKS

Town clerks shall receive the following fees for issuing marriage licenses and vital event certificates:

(1) For issuing and recording a civil marriage license, ~~$80.00~~ $60.00 to be paid by the applicant, ~~$15.00~~ $10.00 of which sum shall be retained by the town clerk as a fee, ~~$50.00~~ $35.00 of which shall be deposited in the Domestic and Sexual Violence Special Fund created by 13 V.S.A. § 5360, and $15.00 of which sum shall be paid by the town clerk to the State Treasurer in a return filed quarterly upon forms furnished by the State Treasurer and specifying all fees received by the town clerk during the quarter. Such quarterly period shall be as of the first day of January, April, July, and October.

* * *

Sec. 6. EFFECTIVE DATES

(a) Sec. 4 (marriage licenses; 32 V.S.A. § 1712) shall take effect on July 1, 2023.

(b) Sec. 5 (marriage licenses; 32 V.S.A. § 1712) shall take effect on July 1, 2025.

(c) All other sections shall take effect 30 calendar days after passage.

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

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, 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:

O'Brien, Benjamin of Randolph - Member of the Vermont Occupational Safety and Health Review Board - July 1, 2022 to February 28, 2027.

Thomas, Brian of Shrewsbury - Member of the Plumbers' Examining Board - March 1, 2023 to February 28, 2026.

Thomas, Brian of Shrewsbury - Member of the Plumbers' Examining Board - October 10, 2022 to June 30, 2024.

Goodrich, Steve of North Bennington - Member of the Plumbers' Examining Board - October 10, 2022 to June 30, 2023.

Greemore, Robert of Barre - Member of the State Labor Relations Board - September 21, 2022 to February 29, 2028.

Saudek, Karen of Montpelier - Member of the State Labor Relations Board - May 4, 2022 to June 30, 2027.

Troiano, Jo Ann of Montpelier - Member of the Vermont State Housing Authority - December 12, 2022 to February 28, 2027.

Farrell, Alex of South Burlington - Member of the Vermont State Housing Authority - March 1, 2023 to February 29, 2028.

Cicio, Megan of Northfield - Member of the Board of Liquor and Lottery - March 1, 2023 to January 31, 2026.

George, Dean of Middlebury - Member of the Parole Board - March 1, 2023 to February 28, 2026.

Donegan, Roger of Hinesburg - Member of the State Labor Relations Board - May 4, 2022 to June 30, 2026.

Christie, Kevin of White River Junction - Member of the Human Rights Commission - March 13, 2023 to February 29, 2028.

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

Clouser, Kristin L. of Jericho - Secretary, Agency of Administration - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 28, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: McCormack, Weeks.

The nomination of

Harrington, Michael A. of Northfield - Commissioner, Department of Labor - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 26, Nays 1.

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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Westman, White, Williams, Wrenner.

The Senator who voted in the negative was: Vyhovsky.

Those Senators absent and not voting were: Gulick, McCormack, Weeks.

The nomination of

Kurrle, Lindsay H. of Middlesex - Secretary, Agency of Commerce and Community Development - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 27, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Gulick, McCormack, Weeks.

The nomination of

Haskell, Sabina of Burlington - Chair, Natural Resources Board - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 27, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Ingalls, Kitchel, Lyons, MacDonald, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Hashim, McCormack, Weeks.

The nomination of

Bolio, Craig of Essex Junction - Commissioner, Department of Taxes - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 28, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: McCormack, Weeks.

The nomination of

Greshin, Adam of Warren - Commissioner, Department of Finance and Management - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 26, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: MacDonald, McCormack, Vyhovsky, Weeks.

The nomination of

Samuelson, Jennifer of Shelburne - Secretary, Agency of Human Services - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 24, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy,

Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Ram Hinsdale, Starr, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Harrison, MacDonald, McCormack, Sears, Vyhovsky, Weeks.

The nomination of

Philibert, Dawn of South Burlington - Chair, State Board of Health - October 17, 2022 to February 28, 2027.

Was confirmed by the Senate on a roll call, Yeas 25, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Sears, Starr, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: MacDonald, McCormack, Ram Hinsdale, Vyhovsky, Weeks.

The nomination of

Winters, Christopher of Berlin - Commissioner, Department of Children and Families - February 19, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 25, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Sears, Starr, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: MacDonald, McCormack, Ram Hinsdale, Vyhovsky, Weeks.

The nomination of

Beling, John of East Montpelier - Commissioner, Department of Environmental Conservation - July 13, 2022 to February 28, 2023.

Was confirmed by the Senate on a roll call, Yeas 24, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Mazza, Norris, Perchlik, Sears, Starr, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Lyons, MacDonald, McCormack, Ram Hinsdale, Vyhovsky, Weeks.

The nomination of

Knight, Wendy of Panton - Commissioner, Department of Liquor and Lottery - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 26, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: MacDonald, McCormack, Ram Hinsdale, Weeks.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H.53, H. 102, H. 161, H. 206, H. 222, H. 305, H. 414, H. 493.

Senate Concurrent Resolution Adopted

Senate concurrent resolution of the following title was offered, read and is as follows:

By All Members of the Senate,

S.C.R. 6. Senate concurrent resolution honoring Vanessa Davison for her extraordinary dedication as a staff member of the General Assembly.

Whereas, Vanessa Davison, a daily Hardwick-to-Montpelier commuter, has an abiding work ethic that is second to none, and she has always performed her legislative staffing duties courteously, effectively, and with the utmost professionalism, and

Whereas, in 1978, following her graduation from Hazen Union High School, she started her public service career in the General Assembly, reporting for work at the former Legislative Council, and

Whereas, during the next decade, Vanessa Davison assisted attorneys and support staff in myriad administrative and research tasks, eventually managing the Legislative Council's Wang computer system as the General Assembly entered the digital era, and

Whereas, a pivotal year for Vanessa Davison was 1988 when she embarked on a new career path as the Journal Clerk of the Vermont Senate, working collaboratively with Senate Secretaries Robert Gibson, David Gibson, and, since 2011, John Bloomer, and

Whereas, Vanessa Davison quickly mastered the intricacies required to prepare the daily and annual Senate Journals, and

Whereas, on occasion, she ferried text pages to a halfway point along I-89 in order to deliver them to a representative of the Burlington-based printer, and, on many nights, Vanessa Davison sat patiently at her desk while the next day's Journal slowly transmitted to the printer's office, a duty that improved technology fortunately eliminated, and

Whereas, senators knew they could rely on her discretion and knowledge in discussing parliamentary matters, and she had a great rapport with staff throughout the legislative branch, and

Whereas, during the past year, she has expertly trained her successor, ensuring that the high quality of the Senate Journal will continue, and

Whereas, in the spring of 2023, after 45 rewarding years on the staff of the General Assembly, including 35 years in the Office of the Senate Secretary, Vanessa Davison is concluding her legislative staff service, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly honors Vanessa Davison for her extraordinary dedication as a staff member of the General Assembly, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to Vanessa Davison.

Thereupon, the pending question, Shall the Concurrent resolution be adopted on the part of the Senate was agreed to on a roll call, Yeas 26, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: *Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, Mazza, Norris, Perchlik, Sears, Starr, Vyhovsky, Watson, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: MacDonald, McCormack, Ram Hinsdale, Weeks.

*Senator Baruth explained his vote as follows:

Thank you Mr. President:

I voted "yes" because I love Vanessa Davison.

Senate Concurrent Resolution

The following joint concurrent resolution, 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, was adopted on the part of the Senate:

By Senators Collamore, Weeks and Williams,

By Rep. Sammis,

S.C.R. 5.

Senate concurrent resolution honoring Castleton Town Mechanic Robert B. Ward for his outstanding 24-year municipal public service career.

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. Taylor and others,

By Senator Wrenner,

H.C.R. 108.

House concurrent resolution congratulating the Milton Theater Company of Milton High School on an award-winning 2022–2023 season.

By Reps. Lipsky and others,

H.C.R. 109.

House concurrent resolution congratulating the Vermont-associated 2023 International Ski and Snowboard Federation World Championship medalists.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 110.

House concurrent resolution congratulating the Bennington Rescue Squad on its 60th anniversary.

By Reps. Morrissey and others,

By Senators Campion and Sears,

H.C.R. 111.

House concurrent resolution congratulating the Bennington Rural Fire Department on its 70th anniversary.

By Reps. Hooper and Satcowitz,

By Senator MacDonald,

H.C.R. 112.

House concurrent resolution in memory of former Brookfield Fire Captain and Vermont Cartoonist Laureate Edward Benjamin Koren.

By Rep. Coffey,

H.C.R. 113.

House concurrent resolution congratulating 2023 Peacemaker Award winners Liz Brown and Mia Fowler.

By All Members of the House,

H.C.R. 114.

House concurrent resolution honoring Karen Horn of Moretown for her exemplary leadership representing and strengthening local government in Vermont.

Adjournment

On motion of Senator Baruth, the Senate adjourned, to reconvene on Monday, May 8, 2023, at ten o'clock and thirty minutes in the forenoon pursuant to J.R.S. 26.

MONDAY, MAY 8, 2023

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 Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the eighth day of May, 2023 he approved and signed a bill originating in the Senate of the following title:

S. 3. An act relating to prohibiting paramilitary training camps.

Message from the House No. 58

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

Mr. President:

I am directed to inform the Senate that:

The House has passed House bills of the following titles:

H. 452. An act relating to expanding apprenticeship and other workforce opportunities.

H. 469. An act relating to allowing remote witnesses and explainers for a Ulysses clause in an advance directive.

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

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 14. An act relating to a report on criminal justice-related investments and trends.

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

Rep. Dolan of Essex Junction
Rep. LaLonde of South Burlington
Rep. Burditt of West Rutland.

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

S. 36. An act relating to permitting an arrest without a warrant for assaults and threats against health care workers and disorderly conduct at health care facilities.

And has concurred therein.

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

H. 110. An act relating to extending the sunset under 30 V.S.A. § 248a.

And has concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 108. House concurrent resolution congratulating the Milton Theater Company of Milton High School on an award-winning 2022–2023 season.

H.C.R. 109. House concurrent resolution congratulating the Vermont-associated 2023 International Ski and Snowboard Federation World Championship medalists.

H.C.R. 110. House concurrent resolution congratulating the Bennington Rescue Squad on its 60th anniversary.

H.C.R. 111. House concurrent resolution congratulating the Bennington Rural Fire Department on its 70th anniversary.

H.C.R. 112. House concurrent resolution in memory of former Brookfield Fire Captain and Vermont Cartoonist Laureate Edward Benjamin Koren.

H.C.R. 113. House concurrent resolution congratulating 2023 Peacemaker Award winners Liz Brown and Mia Fowler.

H.C.R. 114. House concurrent resolution honoring Karen Horn of Moretown for her exemplary leadership representing and strengthening local government in Vermont.

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

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

S.C.R. 5. Senate concurrent resolution honoring Castleton Town Mechanic Robert B. Ward for his outstanding 24-year municipal public service career.

And has adopted the same in concurrence.

Message from the House No. 59

A message was received from the House of Representatives by Mr. Nigel Hicks-Tibbles, its First Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 81. An act relating to fair repair of agricultural equipment.

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

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

S. 94. An act relating to the City of Barre tax increment financing district.

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. 230. An act relating to implementing mechanisms to reduce suicide.

And has concurred therein.

The Governor has informed the House that on May 4, 2023, he approved and signed bills originating in the House of the following titles:

H. 271. An act relating to approval of amendments to the charter of the Town of Springfield.

H. 418. An act relating to approval of an amendment to the charter of the Town of Barre.

Bills Referred

Pursuant to Temporary 44A, House bills of the following titles:

H. 490. An act relating to approving the merger of the Village of Lyndonville with the Town of Lyndon.

H. 506. An act relating to approval of amendments to the election boundary provisions of the charter of the City of Burlington.

H. 507. An act relating to approval of amendments to the polling place provisions of the charter of the City of Burlington.

H. 508. An act relating to approval of an amendment to the ranked choice voting provisions of the charter of the City of Burlington.

H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

Were referred to the Committee on Government Operations.

Bills Referred to Committee on Appropriations

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

H. 217. An act relating to miscellaneous workers' compensation amendments.

H. 472. An act relating to miscellaneous agricultural subjects.

Bills Referred

House bills of the following titles were severally read the first time:

H. 81.

An act relating to fair repair of agricultural equipment.

H. 452.

An act relating to expanding apprenticeship and other workforce opportunities.

H. 469.

An act relating to allowing remote witnesses and explainers for a Ulysses clause in an advance directive.

And pursuant to Temporary Rule 44A were referred to the Committee on Rules.

Rules Suspended; Bill Committed

Pending entry on the Calendar for notice, on motion of Senator Baruth the rules were suspended and House bill entitled:

H. 158. An act relating to the beverage container redemption system.

was committed to the Committee on Appropriations pursuant to Rule 31 with the reports of the Committee on Natural Resources and Energy and Finance *intact*.

Rules Suspended; Bill Committed

Appearing on the Calendar, on motion of Senator Clarkson the rules were suspended and House bill entitled:

H. 489. An act relating to approval of an amendment to the charter of the Town of Shelburne.

was committed to the Committee on Finance pursuant to Rule 31 with the report of the Committee on Government Operations *intact*.

Rules Suspended; Bill Committed

Appearing on the Calendar, on motion of Senator Clarkson the rules were suspended and House bill entitled:

H. 505. An act relating to approval of an amendment to the charter of the City of Rutland.

was committed to the Committee on Finance pursuant to Rule 31 with the report of the Committee on Government Operations *intact*.

House Proposal of Amendment Concurred In

S. 91.

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 out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 13 V.S.A. § 4801 is amended to read:

§ 4801. TEST OF INSANITY IN CRIMINAL CASES

(a) The test when used as a defense in criminal cases shall be as follows:

(1) A person is not responsible for criminal conduct if at the time of such conduct as a result of mental disease or defect ~~he or she~~ the person lacks adequate capacity either to appreciate the criminality of ~~his or her~~ the person's conduct or to conform ~~his or her~~ the person's conduct to the requirements of law.

(2) The terms "mental disease or defect" do not include an abnormality manifested only by repeated criminal or otherwise ~~anti-social~~ antisocial conduct. The terms "mental disease or defect" ~~shall include~~ includes congenital and traumatic mental conditions as well as disease.

(b) The defendant shall have the burden of proof in establishing insanity as an affirmative defense by a preponderance of the evidence. The defendant shall be responsible for hiring the defendant's own forensic evaluator for the purpose of establishing insanity, provided that the Office of the Defender General shall pay for the evaluation of an indigent defendant.

Sec. 2. 13 V.S.A. § 4814 is amended to read:

§ 4814. ORDER FOR EXAMINATION OF COMPETENCY

(a) Any court before which a criminal prosecution is pending may order the Department of Mental Health to have the defendant examined by a psychiatrist at any time before, during, or after trial, and before final judgment in any of the following cases:

(1) ~~when the defendant enters a plea of not guilty, or when such a plea is entered in the defendant's behalf, and then gives notice of the defendant's intention to rely upon the defense of insanity at the time of the alleged crime, or to introduce expert testimony relating to a mental disease, defect, or other condition bearing upon the issue of whether he or she had the mental state required for the offense charged;~~ [Repealed.]

(2) when the defendant, the State, or an attorney, guardian, or other person acting on behalf of the defendant~~,~~ raises before such court the issue of whether the defendant is mentally competent to stand trial for the alleged offense; or

(3) ~~when the court believes that there is doubt as to the defendant's sanity at the time of the alleged offense; or~~ [Repealed.]

(4) when the court believes that there is doubt as to the defendant's mental competency to be tried for the alleged offense.

(b) ~~Such~~ The order may be issued by the court on its own motion~~,~~ or on motion of the State, the defendant, or an attorney, guardian, or other person acting on behalf of the defendant.

(c) An order issued pursuant to this section or Rule 16.1 of the Vermont Rules of Criminal Procedure shall order the release of all relevant records to the examiner, including all juvenile and adult court, mental health, and other health records.

(d) Notwithstanding any other provision of law, an examination ordered pursuant to subsection (a) of this section may be conducted by a doctoral-level psychologist trained in forensic psychology and licensed under 26 V.S.A. chapter 55. This subsection shall be repealed on July 1, 2024.

(e) After an initial competency determination, a court may order subsequent evaluations of a defendant to be performed by the Department of Mental Health only upon a showing of changed circumstances. In determining whether to order subsequent evaluations, the court shall consider a treating physician's clinical evidence, if any, indicating that the defendant's competency may have changed. This section shall not limit the parties' abilities to secure their own evaluations voluntarily or under Vermont Rule of Criminal Procedure 16.1.

(f) The court may issue a warrant for the arrest of a defendant who, after receiving notice of an evaluation ordered under this section, fails to appear for the evaluation.

Sec. 3. 13 V.S.A. § 4815 is amended to read:

§ 4815. PLACE OF EXAMINATION; TEMPORARY COMMITMENT

* * *

(c) A motion for examination shall be made as soon as practicable after a party or the court has good faith reason to believe that there are grounds for an examination. A motion for an examination shall detail the facts indicating incompetency on which the motion is based and shall certify that the motion is made after the moving party has met with or personally observed the defendant. An attorney making such a motion shall be subject to the potential sanctions of Rule 11 of the Vermont Rules of Civil Procedure.

(d) Upon the making of a motion for examination, if the court finds sufficient facts to order an examination, the court shall order a mental health screening to be completed by a designated mental health professional while the defendant is still at the court.

(e) If the screening cannot be commenced and completed at the courthouse within two hours from the time of the defendant's appearance before the court, the court may forgo consideration of the screener's recommendations.

(f) The court and parties shall review the recommendation of the designated mental health professional and consider the facts and circumstances surrounding the charge and observations of the defendant in court. If the court finds sufficient facts to order an examination, it may be ordered to be completed in the least restrictive environment deemed sufficient to complete the examination, consistent with subsection (a) of this section.

* * *

(h) ~~Except upon good cause shown, defendants~~ Defendants charged with misdemeanor offenses who are not in the custody of the Commissioner of Corrections shall be examined on an outpatient basis for mental competency unless the court makes findings on the record that there is good cause for an inpatient evaluation. Examinations occurring in the community shall be conducted at a location within 60 miles of the defendant's residence or at another location agreed to by the defendant.

* * *

Sec. 4. 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 competency of the person examined to stand trial for the alleged offense.

~~(2) 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 (b) of this section, ~~the psychiatrist and~~ the psychologist shall prepare a report containing findings in regard to the 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, 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 (b) of this section, 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 (b) of this section, 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.~~

(d) No statement made in the course of the examination by the person examined, whether or not ~~he or she~~ the person has consented to the examination, shall be admitted as evidence in any criminal proceeding for the purpose of proving the commission of a criminal offense or for the purpose of impeaching testimony of the person examined.

(e) The relevant portion of a psychiatrist's report shall be admitted into evidence as an exhibit on the issue of the person's mental competency to stand trial and the opinion shall be conclusive on the issue if agreed to by the parties and if found by the court to be relevant and probative on the issue.

(f) Introduction of a report under subsection (d) of this section shall not preclude either party or the court from calling the psychiatrist who wrote the report as a witness or from calling witnesses or introducing other relevant evidence. Any witness called by either party on the issue of the defendant's competency shall be at the State's expense, or, if called by the court, at the court's expense.

Sec. 5. 13 V.S.A. § 4817 is amended to read:

§ 4817. COMPETENCY TO STAND TRIAL; DETERMINATION

(a) A defendant shall be presumed to be competent and shall have the burden of proving incompetency by a preponderance of the evidence.

(b) A person shall not be tried for a criminal offense if ~~he or she~~ the person is found incompetent to stand trial by a preponderance of the evidence.

~~(b)~~(c) If a person indicted, complained, or informed against for an alleged criminal offense, an attorney or guardian acting in ~~his or her~~ the person's behalf, or the State, at any time before final judgment, raises before the court before which such person is tried or is to be tried, the issue of whether such

person is incompetent to stand trial, or if the court has reason to believe that such person may not be competent to stand trial, a hearing shall be held before such court at which evidence shall be received and a finding made regarding ~~his or her~~ the person's competency to stand trial. However, in cases where the court has reason to believe that such person may be incompetent to stand trial due to a mental disease or mental defect, such hearing shall not be held until an examination has been made and a report submitted by an examining psychiatrist in accordance with sections 4814–4816 of this title.

~~(c)~~(d) A person who has been found incompetent to stand trial for an alleged offense may be tried for that offense if, upon subsequent hearing, such person is found by the court having jurisdiction of ~~his or her~~ the person's trial for the offense to have become competent to stand trial.

Sec. 6. 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.~~ [Repealed.]

(2) ~~Is~~ 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~~ is not indicted upon hearing by grand jury by reason of insanity at the time of the alleged offense, duly certified to the court~~.~~; or

(4) ~~Upon~~ 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~~ 21 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.

(c) Notwithstanding any other provision of law, a commitment order issued pursuant to this chapter shall not modify or vacate orders concerning conditions of release or bail issued pursuant to chapter 229 of this title, and the commitment order shall remain in place unless expressly modified, provided that inpatient treatment shall be permitted if a person who is held without bail is found to be in need of inpatient treatment under this chapter.

Sec. 7. COMPETENCY RESTORATION PROGRAM PLAN

(a)(1) On or before November 15, 2023, the Department of Mental Health and the Department of Disabilities, Aging, and Independent Living shall report to the Governor, the Senate Committees on Judiciary and on Health and Welfare, and the House Committees on Judiciary, on Health Care, and on Human Services on whether a plan for a competency restoration program should be adopted in Vermont.

(2) For purposes of the report required by the section:

(A) the Department of Mental Health and the Department of Disabilities, Aging, and Independent Living shall consult with:

(i) the Chief Superior Judge or designee;

(ii) the Commissioner of Corrections or designee;

(iii) the Executive Director of the Department of State's Attorneys and Sheriffs or designee;

(iv) the Executive Director of the Vermont Center for Crime Victim Services or designee;

(v) the Vermont Legal Aid Disability Law Project; and

(vi) the Defender General or designee; and

(B) consideration shall be given to providing notification and information to victims of record.

(b) If a competency restoration plan is recommended, the report shall include recommendations for best practices, any changes to law necessary to establish the program, estimated costs, and a proposal for implementing the program.

Sec. 8. JOINT LEGISLATIVE JUSTICE OVERSIGHT COMMITTEE REVIEW; COMPETENCY EXAMINATIONS

(a) The Joint Legislative Justice Oversight Committee shall review whether Vermont law should permit competency examinations of defendants under 13 V.S.A. § 4814 to be conducted, in addition to psychiatrists and doctoral-level

psychologists trained in forensic psychology, by other doctoral-level mental health providers, psychiatric nurse practitioners, or any other professionals. The review shall include consideration of laws on the issue in other states and whether any changes to 13 V.S.A. § 4814 or any other Vermont laws are necessary to permit referral of the evaluation to a psychiatrist when appropriate. The Committee's recommendation under subsection (c) of this section shall reflect its determination of which professionals, if any, should be permitted to conduct the competency examinations.

(b) The Joint Legislative Justice Oversight Committee shall conduct the review of competency evaluation procedures required by subsection (a) of this section at not more than four of its 2023 meetings. Two members of the Senate Committee on Health and Welfare appointed by the Chair of that Committee and two members of the House Committee on Health Care appointed by the Chair of that Committee shall be permitted to attend and participate in the meetings. Members of the Committees on Health and Welfare and on Health Care who attend the meetings as authorized by this section shall be permitted to participate in the Justice Oversight Committee's development of the recommendations required by subsection (c) of this section.

(c) On or before November 15, 2023, the Committee shall recommend any changes it deems advisable to 13 V.S.A. § 4814(d) (permitting competency examinations by doctoral-level psychologists trained in forensic psychology) to the Senate and House Committees on Judiciary, the Senate Committee on Health and Welfare, the House Committee on Health Care, and the House Committee on Human Services.

Sec. 9. REPORT ON CUMULATIVE COMPETENCY EVALUATIONS

On or before December 15, 2023, the Department of Mental Health, in consultation with the Department of Disabilities, Aging, and Independent Living shall report on cumulative competency evaluations to the House Committees on Judiciary and Health Care and the Senate Committees on Judiciary and Health and Welfare. The report shall include recommendations on how to address competency evaluations of persons who have already been determined incompetent to stand trial in another matter, including whether previous evaluations may be used or relied upon for subsequent evaluations.

Sec. 10. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 473.

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

An act relating to radiologist assistants.

Was taken up.

The House concurs in the Senate proposal of amendment with further proposal of amendment thereto by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 26 V.S.A. § 2851 is amended to read:

§ 2851. DEFINITIONS

As used in this chapter:

* * *

(6) "Radiologist" means a person who is licensed to practice medicine or osteopathy under chapter 23 or 33 of this title and who meets one or both of the following requirements:

(A) The person is certified by or eligible for certification by the American Board of Radiology or the American Osteopathic Board of Radiology or their predecessors or successors ~~or who~~.

(B) The person is credentialed by a hospital to practice radiology and engages in the practice of radiology at that hospital full-time.

* * *

(8) "Readily available" means that a supervising radiologist is available in person or is available remotely by telephone or through a live, interactive audio and video connection.

(9) "Supervision" means the direction and review by a supervising radiologist, as determined to be appropriate by the Board, of the medical services provided by the radiologist assistant. At a minimum, supervision shall mean that a radiologist is readily available for consultation and intervention. A radiologist assistant may provide services under the direction and review of more than one supervising radiologist during the course of ~~his or her~~ the radiologist assistant's employment, subject to the limitations on ~~his or her~~ the radiologist assistant's scope of practice as set forth in this chapter and the protocol filed under subsection 2853(b) of this title.

Sec. 2. 26 V.S.A. § 2857 is amended to read:

§ 2857. SUPERVISION AND SCOPE OF PRACTICE

(a)(1) The number of radiologist assistants permitted to practice under the direction and supervision of a radiologist shall be determined by the Board after review of the system of care delivery in which the supervising radiologist and radiologist assistants propose to practice. Scope of practice and levels of supervision shall be consistent with guidelines adopted by the American College of Radiology, the American Society of Radiologic Technologists, and the ARRT.

(2) The authority of a radiologist assistant to practice shall terminate immediately upon termination of the radiologist assistant's employment, and the primary supervising radiologist shall immediately notify the Board and the Commissioner of the Department of Health of the termination. The radiologist assistant's authority to practice shall not resume until ~~he or she~~ the radiologist assistant provides proof of other employment and a protocol as required under this chapter.

(3) The primary supervising radiologist and radiologist assistant shall be employed by and have as their primary work site the same health care facility or an affiliate of the facility, provided that:

(A) the radiologist assistant's primary work site shall be located in Vermont; and

(B) the primary supervising radiologist does not need to be physically present at the same location where the radiologist assistant is practicing as long as a supervising radiologist is readily available for consultation and intervention.

(4) If a supervising radiologist is not physically present at the location at which a radiologist assistant is practicing, the radiologist assistant shall provide services only when a physician licensed pursuant to chapter 23 or 33 of this title, who need not be a radiologist, is physically present at the location and would be responsible for providing intervention or assistance in the event of a medical emergency.

(b)(1) Subject to the limitations set forth in subsection (a) of this section, the radiologist assistant's scope of practice shall be limited to that delegated to the radiologist assistant by the primary supervising radiologist and for which the radiologist assistant is qualified by education, training, and experience. At no time shall the practice of the radiologist assistant exceed the normal scope of the supervising radiologist's practice.

(2) A radiologist assistant ~~may~~ shall not interpret images, make diagnoses, or prescribe medications or therapies but may communicate with patients regarding the radiologist assistant's preliminary observations regarding the technical performance of a procedure or examination and regarding the findings from a radiologist's report. Preliminary observations shall not include any communication about the presence or absence of features or characteristics that would be considered in making a diagnosis.

Sec. 3. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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. 165. An act relating to school food programs and universal school meals.

H. 492. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

Third Readings Ordered

H. 386.

Senator Hardy, 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 Brattleboro.

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, on a roll call, Yeas 16, Nays 8.

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: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Kitchel, Lyons,

McCormack, Perchlik, Sears, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Mazza, Norris, Westman, Williams.

Those Senators absent and not voting were: Hashim, MacDonald, Ram Hinsdale, Starr, Vyhovsky, Weeks.

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 the Vermont basic needs budget.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, Basic Needs Budget Technical Advisory Committee; report, in subdivision (e)(2), preceding the word "members", by inserting the word legislative

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

Senator Perchlik, 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, the proposal of amendment was agreed to, and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 291.

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

An act relating to the creation of the Cybersecurity Advisory Council.

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. 20 V.S.A. chapter 208 is added to read:

CHAPTER 208. CYBERSECURITY

§ 4661. DEFINITIONS

As used in this chapter:

(1) "Critical infrastructure" has the same meaning as in 11 V.S.A. § 1701.

(2) "Cybersecurity" means the practice of deploying people, policies, processes, and technologies to protect organizations, their critical systems, and sensitive information from digital attacks.

(3) "Essential supply chain" means supply chains for the production, in sufficient quantities, of the following articles:

(A) medical supplies, medicines, and personal protective equipment;

(B) articles essential to the operation, manufacture, supply, service, or maintenance of critical infrastructure;

(C) articles critical to infrastructure construction after a natural or manmade disaster;

(D) articles that are critical to the State's food systems, including food supplies for individuals and households and livestock feed; and

(E) articles that are critical to the State's thermal systems and fuels.

§ 4662. CYBERSECURITY ADVISORY COUNCIL

(a) Creation. There is created the Cybersecurity Advisory Council to advise on the State's cybersecurity infrastructure, best practices, communications protocols, standards, training, and safeguards.

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

(1) the Chief Information Officer, who shall serve as the Chair or appoint a designee from the Council to serve as the Chair;

(2) the Chief Information Security Officer;

(3) a representative from a distribution or transmission utility, appointed by the Commissioner of Public Service;

(4) a representative from a State municipal water system, appointed by Secretary of Natural Resources;

(5) a representative from a Vermont hospital, appointed by the President of the Vermont Association of Hospitals and Health Systems;

(6) a person representing a Vermont business related to an essential supply chain, appointed by the Chair of the Vermont Business Roundtable;

(7) the Director of Vermont Emergency Management or designee;

(8) the Governor's Homeland Security Advisor or designee;

(9) the Vermont Adjutant General or designee;

(10) the Attorney General or designee; and

(11) the President of Vermont Information Technology Leaders or designee.

(c) Powers and duties. The Council shall have the following duties:

(1) develop a strategic plan for protecting the State's public sector and private sector information and systems from cybersecurity attacks;

(2) evaluate statewide cybersecurity readiness and develop and share best practices for policies and procedures to strengthen administrative, technical, and physical cybersecurity safeguards as a resource for State government, Vermont businesses, and the public;

(3) build relationships and conduct outreach within State government and to federal government and the private sector to ensure the resilience of electronic information systems;

(4) build strong partnerships with local universities and colleges in order to leverage cybersecurity resources; and

(5) conduct an inventory and review of cybersecurity standards and protocols for critical sector infrastructures and make recommendations on whether improved or additional standards and protocols are necessary; and

(6) identify and advise on opportunities to:

(A) ensure Vermont promotes, attracts, and retains a highly skilled cybersecurity workforce;

(B) raise citizen awareness through outreach and public service announcements;

(C) provide technical capabilities, training, and advice to local government and the private sector;

(D) provide recommendations on legislative action to the General Assembly to protect critical assets, infrastructure, services, and personally identifiable information;

(E) advise on strategic, operational, and budgetary impacts of cybersecurity on the State;

(F) engage State and federal partners in assessing and managing risk;

(G) investigate ways the State can implement a unified cybersecurity communications and response, including recommendations for establishing statewide communication protocols in the event of a cybersecurity incident; and

(H) access cyber-insurance, including how to increase availability and affordability of cyber-insurance for critical industries.

(d) Assistance. The Council shall have the administrative and technical assistance of the Agency of Digital Services.

(e) Working groups and consultations.

(1) The Council may establish interagency working groups to support its charge, drawing membership from any State agency or department.

(2) The Council may consult with private sector and municipal, State, and federal government professionals for information and advice on issues related to the Council's charge.

(f) Meetings.

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

(2) The Council shall meet at least quarterly.

(3)(A) In addition to 1 V.S.A. § 313, the Council is authorized to enter into an executive session to consider:

(i) testimony from a person regarding details of a cybersecurity incident or response to that incident, the disclosure of which would jeopardize public safety; or

(ii) any evaluations, recommendations, or discussions of cybersecurity standards, protocols, and incident responses, the disclosure of which would jeopardize public safety.

(B) Members of the Council and persons invited to testify before the Council shall not disclose to the public information, records, discussions, and opinions stated in connection to the Council's work if the disclosure would jeopardize public safety.

(g) Reports. On or before January 15 each year, the Council shall submit a written report to the House Committees on Commerce and Economic Development, on Environment and Energy, on Government Operations and Military Affairs, and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs, on Finance, and on Government Operations with a status update on the work of the Council and

any recommendations for legislative action. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection.

(h) Public records act exemption. Any records or information produced or acquired by the Council regarding cybersecurity standards, protocols, and incident responses, if the disclosure would jeopardize public safety, shall be kept confidential and shall be exempt from public inspection or copying under Vermont's Public Records Act. Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this section shall continue in effect and shall not be reviewed for repeal.

(i) Compensation and reimbursement. Members of the Council who are not otherwise compensated or reimbursed for their attendance 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 Agency of Digital Services.

Sec. 2. 11 V.S.A. § 1701 is amended to read:

§ 1701. DEFINITIONS

~~In~~ As used in this chapter:

(1) "Critical infrastructure" means property and equipment owned or used by communications networks and electric generation, transmission, and distribution systems; water and wastewater systems; health systems; essential supply chains; thermal fuels and systems; and communications networks, including cellular, broadband, and telecommunications networks.

* * *

Sec. 3. REPORT

On or before January 15, 2024, the Cybersecurity Advisory Council shall include in its report required by 20 V.S.A. § 4662(g) recommendations on whether to amend the definition of "essential supply chain", as defined in 20 V.S.A. § 4661, to include additional supply chains.

Sec. 4. REPEAL

20 V.S.A. chapter 208 (cybersecurity) is repealed on June 30, 2028.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

Senator Perchlik, 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.

Proposal of Amendment; Third Reading Ordered

H. 470.

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. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

* * *

(44) ~~"Cider"~~ "Hard cider" means a vinous beverage, made a majority from the fermented natural sugar content of apples or pears, that contains an alcoholic content of not less than one percent or more than 16 percent by volume at 60 degrees Fahrenheit. ~~"Cider"~~ "Hard cider" includes sweetened, flavored, and carbonated hard cider.

Sec. 2. 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:

* * *

(9) For up to ~~ten~~ 20 fourth-class licenses, $70.00.

* * *

(12) For a ~~festival~~ sampling event permit, $125.00.

* * *

(14) For ~~an educational sampling~~ a limited event permit, $250.00.

* * *

Sec. 3. 7 V.S.A. § 224 is amended to read:

§ 224. FOURTH-CLASS LICENSES

(a) The Board of Liquor and Lottery may grant up to a combined total of ~~ten~~ 20 fourth-class licenses to a manufacturer or rectifier that submits an application and the fee provided in section 204 of this title.

(b) At each licensed location, a fourth-class licensee may sell by the unopened container or distribute by the glass, with or without charge, alcoholic beverages manufactured by the licensee.

(1) A licensee may, for consumption at the licensed premises or location, distribute the following amounts of alcoholic beverages to a retail customer:

(A) At a farmer's market location, not more than:

(i) two ounces of malt beverages, vinous beverages, or ready-to-drink spirits beverages with a total of eight ounces; and

~~(B)~~(ii) ~~no more than~~ one-quarter ounce of spirits or fortified wine with a total of one ounce.

(B) At a tasting room and retail shop, not more than:

(i) an aggregate total of 16 ounces of malt beverages or hard cider;

(ii) an aggregate total of 12 ounces of vinous beverages or ready-to-drink spirits beverages; and

(iii) not more than one-quarter ounce of spirits or fortified wine with a total of two ounces.

* * *

(c)(1) At ~~only one~~ a maximum of two fourth-class license ~~location~~ locations, a licensed manufacturer or rectifier may sell by the unopened container or distribute by the glass, with or without charge, alcoholic beverages produced by ~~no~~ not more than five additional manufacturers or rectifiers, provided these beverages are purchased on invoice from the manufacturer or rectifier.

* * *

Sec. 4. 7 V.S.A. § 228 is amended to read:

§ 228. SAMPLER FLIGHTS

(a) The holder of a first-class license may serve a sampler flight of up to 32 ounces in the aggregate of malt beverages or hard ciders to a single customer at one time.

* * *

Sec. 5. 7 V.S.A. § 251 is amended to read:

§ 251. ~~EDUCATIONAL SAMPLING~~ LIMITED EVENT PERMIT

(a) The Division of Liquor Control may grant ~~an educational sampling~~ a limited event permit to a person if:

(1) the limited event is also approved by the local control commissioners; and

(2) at least 15 days prior to the event, the applicant submits an application to the Division in a form required by the Commissioner that ~~includes a list of the alcoholic beverages to be acquired for sampling at the event and~~ is accompanied by the fee provided in section 204 of this title.

(b)~~(1)~~ ~~An educational sampling~~ A limited event permit holder ~~is permitted to conduct an event that is open to the public at which~~ may purchase invoiced volumes of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits, or all five ~~are served only for the purposes of marketing and educational sampling~~, directly from a manufacturer, packager, wholesale dealer, or importer licensed in Vermont or a manufacturer or packager that holds a federal Basic Permit or Brewer's Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

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

(c)~~(1)~~ ~~No~~ Not more than four ~~educational sampling~~ limited event permits shall be issued annually to the same person~~.~~, and

~~(2) An educational sampling event~~ each permit shall be valid for ~~no~~ not more than four consecutive days.

(d) The permit holder shall ~~ensure all the following:~~

~~(1) Attendees at the educational sampling event shall be required to pay an entry fee of not less than $5.00.~~

~~(2)(A) Malt beverages, vinous beverages, or ready-to-drink spirits beverages for sampling shall be offered in glasses that contain not more than two ounces of either beverage.~~

~~(B) Fortified wines and spirits for sampling shall be offered in glasses that contain no more than one-quarter ounce of either beverage.~~

~~(3) The event shall be conducted in compliance with all the requirements~~ be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of alcoholic beverages. The permit holder shall pay the tax on the alcoholic beverages served at the event pursuant to section 421 of this title.

~~(e) An educational sampling event permit holder:~~

~~(1) may receive shipments directly from a manufacturer, packager, certificate of approval holder, wholesale dealer, or importer licensed in Vermont or that provides evidence of licensure in another state or foreign country satisfactory to the Board;~~

~~(2) may transport alcoholic beverages to the event site, and those beverages may be served at the event by the permit holder or the holder's employees, volunteers, or representatives of a manufacturer, packager, or importer participating in the event, provided they meet the server age and training requirements under section 259 of this chapter; and~~

~~(3) shall mark all cases and bottles of alcoholic beverages to be served at the event "For sampling only. Not for resale."~~

~~(f) Taxes for the alcoholic beverages served at the event shall be paid as follows:~~

~~(1) malt beverages:~~

~~(A) $0.265 per gallon of malt beverages served that contain not more than six percent alcohol by volume at 60 degrees Fahrenheit; and~~

~~(B) $0.55 per gallon of malt beverages served that contain more than six percent alcohol by volume at 60 degrees Fahrenheit;~~

~~(2) vinous beverages: $0.55 per gallon served;~~

~~(3) spirits: $19.80 per gallon served;~~

~~(4) fortified wines: $19.80 per gallon served; and~~

~~(5) ready-to-drink spirits beverages: $1.10 per gallon served.~~

Sec. 6. 7 V.S.A. § 252 is amended to read:

§ 252. SPECIAL EVENT PERMITS

(a)(1) The Division of Liquor Control may issue a special event permit if the application is submitted to the Division of Liquor Control with the fee provided in section 204 of this title at least five days prior to the date of the

event.

(2) A manufacturer or rectifier may be issued one special event permit ~~shall be valid for the duration of~~ per physical location for each public event ~~or four days, whichever is shorter~~. A special event permit shall be valid for not more than 40 days in a calendar year.

* * *

~~(c) A licensed manufacturer or rectifier may be issued not more than 10 special event permits for the same physical location in a calendar year.~~

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

§ 253. ~~FESTIVAL~~ SAMPLING EVENT PERMITS

(a) The Division of Liquor Control may grant a ~~festival~~ sampling event permit if the applicant has:

(1) received approval from the local control commissioners;

(2) submitted a request for ~~a festival~~ the permit to the Division in a form required by the Commissioner at least 15 days prior to the ~~festival~~ event; and

(3) paid the fee provided in section 204 of this title.

(b) ~~A festival~~ An event 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, ready-to-drink spirits beverages, fortified wines, or spirits~~ has more than five sampling outlets and expected event attendance is greater than 50 patrons.

(c) A ~~festival~~ sampling event 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, ready-to-drink spirits beverages, fortified wines, or spirits.

(d) The permit holder shall ensure the following:

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

* * *

(2)(A) Malt beverages and hard ciders for sampling shall be offered in glasses that contain not more than ~~12~~ 16 ounces with not more than 60 ounces served to any patron at one event.

* * *

(E) Patrons attending a ~~festival~~ sampling event where combinations of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits are mutually sampled shall not be served more than a combined total of ~~six U.S.~~ five standard ~~drinks containing 3.6 fluid ounces or 84 grams of pure ethyl alcohol~~ drink units as defined by the World Health Organization.

* * *

(e)(1) A ~~festival~~ sampling event permit holder may purchase invoiced volumes of malt beverages, vinous beverages, or ready-to-drink spirits 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.

* * *

(f) A ~~festival~~ sampling event 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 beverages, vinous beverages, or ready-to-drink spirits beverages pursuant to section 421 of this title.

(g) A person shall be granted not more than four ~~festival~~ sampling event permits per year, and each permit shall be valid for not more than four consecutive days.

Sec. 8. 7 V.S.A. § 421 is amended to read:

§ 421. TAX ON MALT AND VINOUS BEVERAGES

(a) Every packager and wholesale dealer shall pay to the Commissioner of Taxes:

(1) the sum of 26 and one-half cents per gallon for every gallon or its equivalent of:

* * *

(B) hard ciders containing not more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State;

(2) the sum of 55 cents per gallon for each gallon of:

* * *

(B) hard ciders containing more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

* * *

Sec. 9. 2021 Acts and Resolves No. 70, Sec. 7 is amended to read:

Sec. 7. REPEAL

7 V.S.A. § 230 is repealed on July 1, ~~2023~~ 2025.

Sec. 10. DEPARTMENT OF LIQUOR AND LOTTERY; ALCOHOLIC BEVERAGES; PUBLIC HEALTH IMPACT STUDY AND REPORT

On or before January 15, 2025, the Department of Liquor and Lottery, in consultation with other stakeholders, shall study and report on the public safety impacts of the sale of alcoholic beverages for off-premises consumption since the passage of 7 V.S.A. § 230. The Department shall submit the written report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing, and General Affairs. The Department shall include with its findings any recommendations for legislative action.

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

(a) This section and Sec. 9 (extension of sunset; 7 V.S.A. 230) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2023.

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

Senator Brock, 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 Economic Development, Housing and General Affairs with the following amendment thereto:

In Sec. 2, 7 V.S.A. § 204 (application and renewal fees for licenses and permits), by striking out subdivision (a)(9) (fourth-class licenses) in its entirety and inserting in lieu thereof a new subdivision (a)(9) to read as follows:

(9) For ~~up to ten~~ each fourth-class ~~licenses~~ license, $70.00.

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 Economic Development, Housing and General Affairs was amended as recommended by the Committee on Finance.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered.

House Proposal of Amendment Concurred In with Further Proposal of Amendment

S. 17.

House proposal of amendment to Senate bill entitled:

An act relating to sheriff reforms.

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:

* * * Findings * * *

Sec. 1. FINDINGS

The General Assembly finds that:

(1) Sheriffs provide essential public safety services to the State, counties, and communities of Vermont.

(2) Incidents of criminal and unprofessional behavior by elected sheriffs and sheriff's deputies have shaken the public's trust in the office of sheriff.

(3) The office of sheriff requires reform to provide more consistent structure, financial practices, accountability, and increased transparency.

(4) While criminal charges or misconduct may lead to sanctions on Vermont sheriffs, including decertification by the Vermont Criminal Justice Council, removal from office can only be achieved through expiration of term, resignation, or impeachment by the General Assembly.

* * * Audits * * *

Sec. 2. 24 V.S.A. § 290 is amended to read:

§ 290. COUNTY SHERIFF'S DEPARTMENT

* * *

(d)(1) Upon the election of a sheriff-elect who is not the incumbent sheriff, ~~or upon notice of the resignation of the sheriff,~~ an announcement that the incumbent sheriff will not seek reelection, or an announcement that the incumbent sheriff intends to resign, whichever occurs earliest, all financial

disbursements from the accounts of the department, including the transfer of real or personal property, or other assets, of the department, shall be co-signed by the sheriff and ~~the~~ at least one assistant ~~judges~~ judge in that county. The sheriff shall provide a written transition plan to the assistant judges of that county and the Sheriffs' Executive Committee detailing all anticipated disbursements or transfers of departmental assets. Assistant judges shall consult with the Department and Sheriff's Executive Committee prior to co-signing any disbursements or transfer of sheriff's department assets. If the assistant judges refuse to co-sign a disbursement or transfer of sheriff's department assets, the Sheriffs' Executive Committee may instead approve the disbursements or transfer of sheriff's department assets and shall thereafter inform the sheriff and the assistant judges of the county of the Committee's decision.

(2) ~~A~~ An assistant judge shall forward the sheriff's written transition plan and a report of all financial disbursements ~~or~~ and transfers made pursuant to this subsection ~~shall be forwarded by the assistant judges~~ to the Auditor of Accounts within 15 days ~~of completion of the out-going sheriff's duties~~ following the sheriff leaving office.

Sec. 3. 24 V.S.A. § 290b is amended to read:

§ 290b. AUDITS

* * *

(b) The Auditor of Accounts shall adopt and sheriffs shall comply with a uniform system of accounts, controls, and procedures for the sheriff's department, which accurately reflects the receipt and disbursement of all funds by the department, the sheriff, and all employees of the department. The uniform system shall include:

* * *

(8) procedures and controls ~~which~~ that identify revenues received from public entities through appropriations or grants from the federal, State, or local governments from revenues received through contracts with private entities; ~~and~~

(9) procedures to notify the Auditor of Accounts and the Department of State's Attorneys and Sheriffs of the establishment and activities of any nonpublic organization of which the sheriff or any employee of the sheriff is a director or participant and that has a mission or purpose of supplementing the efforts of the sheriff's department; and

(10) other procedures and requirements as the Auditor of Accounts deems necessary.

(c) The Auditor of Accounts and ~~his or her~~ the Auditor's designee may at any time examine the records, accounts, books, papers, contracts, reports, and other materials of the county sheriff departments as they pertain to the financial transactions, obligations, assets, and receipts of that department. The Auditor ~~or his or her designee shall conduct an audit of the accounts for a sheriff's department whenever the incumbent sheriff leaves office, and the auditor~~ shall charge for ~~the~~ any associated costs ~~of the report pursuant to~~ in the same manner described in 32 V.S.A. § 168(b).

* * *

* * * Conflict of Interest * * *

Sec. 4. 24 V.S.A. § 314 is added to read:

§ 314. CONFLICT OF INTEREST; APPEARANCE OF CONFLICT OF INTEREST

(a) Sheriffs and deputy sheriffs are considered public servants for the purposes of 3 V.S.A. § 1202(1). A conflict of interest may also exist when a member of a sheriff's or deputy sheriff's immediate family or household, or the sheriff's or deputy sheriff's business associate, or an organization with which the sheriff or deputy sheriff is affiliated, interferes with the proper discharge of a lawful duty. A conflict of interest does not include any interest that is not greater than that of other individuals generally affected by the outcome of the matter.

(b) A sheriff or deputy sheriff shall avoid any conflict of interest or the appearance of a conflict of interest. When confronted with a conflict of interest or an appearance of a conflict of interest, a sheriff or deputy sheriff shall disclose the conflict of interest to the Sheriff's Executive Committee, recuse themselves from the matter, and not take further action on the matter.

(c) The Department of State's Attorneys and Sheriffs shall establish procedures for forwarding ethics complaints from any source to the State Ethics Commission based on the procedures set forth in 3 V.S.A. § 1223.

(d) Nothing in this section shall require a sheriff or deputy sheriff to disclose confidential information or information that is otherwise privileged under law. "Confidential information," as used in this subsection, means information that is exempt from public inspection and copying under 1 V.S.A. § 315 et seq. or is otherwise designated by law as confidential.

Sec. 4a. 24 V.S.A. § 315 is added to read:

§ 315. SHERIFFS; ANNUAL DISCLOSURE

(a) Annually, each sheriff shall file with the State Ethics Commission a disclosure form that contains the following information in regard to the previous 12 months:

(1) Each source, but not amount, of personal income of the sheriff and of the sheriff's spouse or domestic partner, and of the sheriff together with the sheriff's 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 sheriff served and the sheriff's position on that entity.

(3) Any company of which the sheriff or the sheriff's spouse or domestic partner, or the sheriff together with the sheriff's spouse or domestic partner, owned more than 10 percent.

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

(A) the sheriff or the sheriff's spouse or domestic partner; or

(B) a company of which the sheriff or the sheriff's spouse or domestic partner, or the sheriff together with the sheriff's spouse or domestic partner, owned more than 10 percent.

(b) In addition, if a sheriff's spouse or domestic partner is a lobbyist, the sheriff shall disclose that fact and provide the name of the sheriff's spouse or domestic partner and, if applicable, the name of that individual's 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 sheriff shall sign the disclosure form in order to certify it in accordance with this subsection.

(d)(1) A sheriff shall file the disclosure form on or before January 15 of each year or, if the sheriff is appointed after January 15, within 10 days after that appointment.

(2) A sheriff 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.

* * * Sheriff's Department Compensation and Benefits * * *

Sec. 5. 24 V.S.A. § 291a is amended to read:

§ 291a. CONTRACTS

* * *

(b) A contract made with a town, city, village, or county to provide law enforcement or related services shall contain provisions governing the following subjects as best suit the needs of the parties:

* * *

(4) the type, frequency, and information to be contained in reports submitted by the sheriff's department to the town, city, village, or county;

* * *

(c) A contract under this section may contain provisions for compensation to the sheriff for administration of the contract and related services. No compensation may be paid to a sheriff for administration of the contract or related services unless the contract sets forth in writing the rate or method of calculation for the compensation and a schedule of payment; provided that a sheriff's compensation for administration shall not exceed five percent of the contract. A sheriff's rate of compensation shall be at a rate equivalent to other employees of the department who provide similar services under the contract. Compensation to the sheriff shall be made in accordance with the schedule set forth in the contract but in no event may a sheriff be compensated for administration of the contract and related services unless the compensation is made in the same calendar year in which the revenue was received by the department under the contract. Funds derived from charges for the administration of a contract, if used for sheriff, sheriff deputy, or other departmental employee compensation, bonuses, salary supplements, retirement contributions, or employment benefits, shall be expended in accordance with the model policy created and maintained by the Department of State's Attorneys and Sheriffs. Willful failure to comply with this policy shall constitute Category B conduct pursuant to 20 V.S.A. § 2401(2).

* * *

(f) An agreement or contract for sheriff's departments to provide law enforcement or security services to county and State courthouses shall be subject to a single, statewide contracted rate of pay for such services over all county and State courthouses.

Sec. 5a. SHERIFF'S DEPARTMENTS COMPENSATION AND BENEFITS MODEL POLICY

(a) On or before January 1, 2024, the Department of State's Attorneys and Sheriffs, after receiving input from the sheriffs, the Auditor of Accounts, and the Department of Human Resources, shall develop the Sheriff's Departments Compensation and Benefits Model Policy and submit it for review and approval to the Vermont Criminal Justice Council. The Vermont Criminal Justice Council may, in consultation with the Department of State's Attorneys and Sheriffs, subsequently alter and update the Model Policy.

(b) The Sheriff's Departments Compensation and Benefits Model Policy shall address the structure and use of funds for compensation, bonuses, salary supplements, retirement contributions, and employment benefits for sheriffs, sheriff's deputies, and other departmental employees.

(c) On or before July 1, 2024, each sheriff's department shall adopt the model Sheriff's Departments Compensation and Benefits Model Policy. A sheriff's department may include additional provisions to the Model Policy in its own policy, provided that none of these provisions contradict any provisions of the Model Policy.

Sec. 5b. 24 V.S.A. § 367 is amended to read:

§ 367. DEPARTMENT OF STATE'S ATTORNEYS AND SHERIFFS

* * *

(e)(1) The Executive Director of the Department of State's Attorneys and Sheriffs, in consultation with the Sheriff's Executive Committee, shall appoint a Director of Sheriffs' Operations who shall serve at the pleasure of the Executive Director.

(2) The Director of Sheriffs' Operations shall provide centralized support services for the sheriffs with respect to budgetary planning, policy development and compliance, training, and office management, and perform such other duties as directed by the Executive Director.

(3) The Director of Sheriffs' Operations shall develop, maintain, and provide to each sheriff's department model policies on operational topics,

including service of civil process, relief from abuse orders, transportation of prisoners, ethics, and sheriffs' responsibilities.

Sec. 5c. DEPARTMENT OF STATE'S ATTORNEYS AND SHERIFFS; POSITION

The following position is created in the Department of State's Attorneys and Sheriffs: one full-time, exempt Director of Sheriffs' Operations.

Sec. 5d. 24 V.S.A. § 290(b) is amended to read:

(b) Full-time State deputy sheriffs whose primary responsibility is transportation of prisoners ~~and~~, persons with a mental condition or psychiatric disability, or juveniles being transported to court or to a court-ordered facility shall be paid by the State of Vermont. The positions and their funding shall be assigned to the Department of State's Attorneys and Sheriffs. The Executive Director shall have the authority to determine job duties for the position, assignment of positions to county, regular and temporary work locations, assistance to other State agencies and departments, timesheet systems, daily work logs, and to have final approval of personnel matters, including, but not limited to, approval for hiring, paygrade assignment, hiring rate, discipline, and termination. The sheriffs shall have an Executive Committee of not more than five current sheriffs, elected for a two-year term by a vote of the sheriffs held not later than January 15, for a term starting February 1. The Executive Committee shall have a Chair, Vice-Chair, Secretary-Treasurer, and two members at large. The Executive Committee shall meet at least quarterly to provide input to the Department of State's Attorneys and sheriffs regarding budget, legislation, personnel and policies, and the assignment of positions, when vacancies arise, for efficient use of resources.

* * * Sheriff Duties * * *

Sec. 6. 24 V.S.A. § 293 is amended to read:

§ 293. DUTIES

(a) A sheriff so commissioned and sworn shall serve and execute lawful writs, warrants, and processes directed to ~~him or her~~ the sheriff, according to the precept thereof, and do all other things pertaining to the office of sheriff.

(b) A sheriff shall maintain a record of the sheriff's work schedule, including work days, leave taken, and any remote work performed outside the sheriff's district for a period of more than three days.

(c) If an individual who has a relief from abuse order pursuant to 15 V.S.A. § 1103 requires assistance in the retrieval of personal belongings from the individual's residence and that individual requests assistance from a sheriff's

department providing law enforcement services in the county in which that individual resides, the sheriff's department shall provide the assistance.

Sec. 6a. 20 V.S.A. chapter 209 is added to read:

CHAPTER 209. GENERAL LAW ENFORCEMENT SERVICES § 4661. PROHIBITION; STANDBY FEES

No law enforcement officer or law enforcement agency shall seek a fee from the individual seeking assistance or being assisted in the retrieval of personal belongings or the personal belongings of the individual's dependents from the individual's residence, pursuant to 24 V.S.A. § 293(c), or any representative of that individual.

Sec. 6b. SHERIFF'S DEPARTMENTS' PROVISION OF STANDBY SERVICES FOR DOMESTIC VIOLENCE SURVIVORS; REPORT

On or before January 15, 2024, the Department of State's Attorneys and Sheriffs, in consultation with the State sheriffs and the Vermont Network Against Domestic and Sexual Violence, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations data, as available through December 1, 2023, regarding sheriff's departments' assistance in the retrieval of personal belongings of domestic violence survivors pursuant to 24 V.S.A. § 293(c), including the aggregate number of episodes of assistance provided, the time spent, and the costs accumulated by sheriff's departments for providing this assistance.

Sec. 7. SHERIFF'S DEPUTY PROVISION OF COURTHOUSE SECURITY; REPORT

On or before December 1, 2023, the Judiciary, in consultation with the Department of State's Attorneys and Sheriffs, the Vermont Sheriffs' Association, Vermont State Employees' Association, and other relevant stakeholders, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the number of sheriff's deputies needed to be made available to provide law enforcement and security services to county and State courthouses to facilitate regular courthouse operations. The report shall also include recommendations regarding any needed creation of classified positions responsible for courthouse security services, similar to the classified position of transport deputy, and any corresponding budget request for these positions.

Sec. 8. 24 V.S.A. § 299 is amended to read:

§ 299. DUTIES AS PEACE OFFICER

A sheriff shall preserve the peace~~, and suppress, with force and strong hand, if necessary, unlawful disorder~~ using force only as permitted pursuant to 20 V.S.A. chapter 151. ~~He or she~~ A sheriff may apprehend, without warrant, ~~persons~~ individuals assembled in disturbance of the peace~~,~~ and bring them before ~~a~~ the Criminal Division of the Superior Court, which shall proceed with such ~~person~~ individuals as with ~~persons~~ individuals brought before it by process issued by ~~such~~ the court.

* * * Repeal of Penalty for Refusal to Assist a Sheriff * * *

Sec. 9. REPEAL OF PENALTY FOR REFUSAL TO ASSIST A SHERIFF

24 V.S.A. § 301 (penalty for refusal to assist) is repealed.

* * * Sheriff's Departments Reform Report * * *

Sec. 10. SHERIFF'S DEPARTMENTS REFORM; REPORT

On or before November 15, 2023, the Department of State's Attorneys and Sheriffs, in consultation with the Vermont Criminal Justice Council, the Auditor of Accounts, the Vermont Association of County Judges, the Chief Superior Court Judge, and the Vermont Sheriffs Association, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the following:

(1) recommended policies and best practices to be included in standard operating procedures, manuals and policy manuals;

(2) increasing efficiency and equity in the delivery of public safety services by sheriff's departments;

(3) recommendations for the compensation structure and levels of sheriffs, deputies, and departmental staff, including salaries, overtime, retirement, and benefits;

(4) the duties of sheriffs, including law enforcement and administration of sheriff's departments;

(5) recommended membership and duties of an advisory commission for sheriffs comparable to, or combined with, the Vermont State Police Advisory Commission, as related to both conduct and administration of sheriff's departments;

(6) the creation of a sustainable funding model for sheriff's departments, including the consolidation or reorganization of sheriff's departments;

(7) recommendations for the Department of State's Attorneys and Sheriffs to better provide oversight and support for State's Attorneys and sheriffs; and

(8) recommendations for the scope and timing of public sector management training that sheriffs should receive upon election and on a continuing basis to ensure departmental operations and management of public funds are consistent with generally accepted standards.

* * * Effective Dates * * *

Sec. 11. EFFECTIVE DATES

This act shall take effect on passage, except that Sec. 5 (amending 24 V.S.A. § 291a) shall take effect on January 1, 2024.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Hardy, Clarkson, Norris, Watson and White moved that the Senate concur in the House proposal of amendment with further proposals of amendment as follows:

First: By striking out Sec. 2, 24 V.S.A. § 290, in its entirety and inserting in lieu thereof a new Sec. 2 to read as follows:

Sec. 2. 24 V.S.A. § 290 is amended to read:

§ 290. COUNTY SHERIFF'S DEPARTMENT

* * *

(d)(1) Upon the election of a sheriff-elect who is not the incumbent sheriff, ~~or upon notice of the resignation of the sheriff,~~ an announcement that the incumbent sheriff will not seek reelection, or an announcement that the incumbent sheriff intends to resign, whichever occurs earliest, all financial disbursements from the accounts of the department, including the transfer of real or personal property, or other assets, of the department, shall be co-signed by the sheriff and ~~the~~ at least one assistant ~~judges~~ judge in that county, and the sheriff shall, within two weeks, provide the Department of State's Attorneys and Sheriffs, the Auditor of Accounts, and the assistant judges of that county with a written list of all transfers of departmental assets and financial disbursements to a single source, in aggregate, greater than $10,000.00 anticipated to occur before the sheriff leaves office. Assistant judges shall consult with the Director of Sheriffs' Operations when considering whether to co-sign any transfers of departmental assets or financial disbursements to a single source, in aggregate, greater than $10,000.00. The assistant judges shall not unreasonably refuse to co-sign any disbursements or transfer of sheriff's department assets.

(2) A report of all financial disbursements ~~or~~ and transfers made pursuant to this subsection shall be forwarded by the assistant judges to the Auditor of Accounts within 15 days ~~of completion of the out-going sheriff's duties~~ following the sheriff leaving office.

Second: By striking out Sec. 5a, sheriff's departments compensation and benefits model policy, in its entirety and inserting in lieu thereof a new Sec. 5a to read as follows:

Sec. 5a. SHERIFF'S DEPARTMENTS COMPENSATION AND BENEFITS MODEL POLICY

(a) On or before January 1, 2024, the Department of State's Attorneys and Sheriffs, after receiving input from the sheriffs and the Auditor of Accounts, shall develop the Sheriff's Departments Compensation and Benefits Model Policy and submit it for review and approval to the Department of Human Resources and the Vermont Criminal Justice Council. The Department of Human Resources and the Vermont Criminal Justice Council together may, in consultation with the Department of State's Attorneys and Sheriffs, subsequently alter and update the Model Policy.

(b) The Sheriff's Departments Compensation and Benefits Model Policy shall address the structure and use of funds for compensation, bonuses, salary supplements, retirement contributions, and employment benefits for sheriffs, sheriff's deputies, and other departmental employees.

(c) On or before July 1, 2024, each sheriff's department shall adopt the model Sheriff's Departments Compensation and Benefits Model Policy. A sheriff's department may include additional provisions to the Model Policy in its own policy, provided that none of these provisions contradict any provisions of the Model Policy.

(d) Notwithstanding 24 V.S.A. § 291a(c), prior to a sheriff's department adopting the Sheriff's Departments Compensation and Benefits Model Policy, a sheriff's department may use funds derived from contract administrative overhead fees to make supplemental salary payments to a sheriff of not more than 50 percent of the annual compensation for a sheriff, provided that the sheriff has been in office at least two years, and to any employee of a sheriff's department or a sheriff that has been in office less than two years of not more than 10 percent of the annual compensation for the employee. Funds derived from contract administrative overhead fees shall not be used for any other bonus or supplemental employment benefit payment.

Third: In Sec. 5b, 24 V.S.A. § 367, subdivision (e)(1), by striking out the words ", in consultation with the Sheriff's Executive Committee,"

Fourth: By adding a new sections to be Sec. 6a to read as follows:

Sec. 6c. 24 V.S.A. § 293(d) is added to read:

(d) A sheriff shall provide law enforcement and security services for each county and State courthouse within the sheriff's county of jurisdiction in accordance with section 291a of this title.

Fifth: By striking out Sec. 10, sheriff's departments reform; report, in its entirety and inserting in lieu thereof a new Sec. 10 to read as follows:

Sec. 10. SHERIFF'S DEPARTMENTS REFORM; REPORT

On or before November 15, 2023, the Department of State's Attorneys and Sheriffs and the Vermont Criminal Justice Council, in consultation with the Auditor of Accounts, the Department of Human Resources, the Vermont Association of County Judges, the Chief Superior Court Judge, the Vermont Sheriffs' Association, and organizations focused on law enforcement reform, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the following:

(1) recommended policies and best practices to be included in standard operating procedures, manuals and policy manuals;

(2) increasing efficiency and equity in the delivery of public safety services by sheriff's departments;

(3) recommendations for the compensation structure and levels of sheriffs, deputies, and departmental staff, including salaries, overtime, retirement, and benefits;

(4) the duties of sheriffs, including law enforcement and administration of sheriff's departments;

(5) recommended membership and duties of an advisory commission for sheriffs comparable to, or combined with, the Vermont State Police Advisory Commission, as related to both conduct and administration of sheriff's departments;

(6) the creation of a sustainable funding model for sheriff's departments, including the consolidation or reorganization of sheriff's departments;

(7) recommendations for the Department of State's Attorneys and Sheriffs to better provide oversight and support for State's Attorneys and sheriffs; and

(8) recommendations for the scope and timing of public sector management training that sheriffs should receive upon election and on a continuing basis to ensure departmental operations and management of public funds are consistent with generally accepted standards.

Sixth: By striking out Sec. 11, effective dates, in its entirety and inserting in lieu thereof a new Sec. 11 to read as follows:

Sec. 11. EFFECTIVE DATES

This act shall take effect on passage, except that Secs. 5 (amending 24 V.S.A. § 291a) and 6c (adding 24 V.S.A. § 291a(d)) shall take effect on January 1, 2024.

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

House Proposal of Amendment Concurred In with Amendment

S. 99.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous changes to laws related to vehicles.

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:

* * * New Motor Vehicle Arbitration * * *

Sec. 1. 9 V.S.A. § 4173(d) is amended to read:

(d) Within the 45-day period set forth in subsection (c) of this section but at least five days prior to hearing, the manufacturer shall have one final opportunity to correct and repair the defect that the consumer claims entitles ~~him or her~~ the consumer to a refund or replacement vehicle. Any right to a final repair attempt is waived if the manufacturer does not complete it at least five days prior to hearing. If the consumer is satisfied with the corrective work done by the manufacturer or ~~his or her~~ the manufacturer's delegate, the arbitration proceedings shall be terminated without prejudice to the consumer's right to request arbitration be recommenced ~~if the repair proves unsatisfactory for the duration of the~~ within one year following the expiration of the express warranty term in accordance with subsection 4179(a) of this title

* * * Definition of Mail * * *

Sec. 2. 23 V.S.A. § 4(87) is added to read:

(87) "Mail," "mail or deliver," "mails," "mails or delivers," "mailing," "mailing or delivering," "mailed," and "mailed or delivered" mean any method of delivery authorized by the Commissioner, which may include by hand, U.S. mail, and electronic transmission.

* * * Mobile Identification * * *

Sec. 3. 23 V.S.A. § 116 is added to read:

§ 116. ISSUANCE OF MOBILE IDENTIFICATION

(a) Definitions. As used in this section:

(1) "Data field" means a discrete piece of information that appears on a mobile identification.

(2) "Full profile" means all the information provided on a mobile identification.

(3) "Limited profile" means a portion of the information provided on a mobile identification.

(4) "Mobile identification" means an electronic representation of the information contained on a nonmobile credential.

(5) "Mobile identification holder" means an individual to whom a mobile identification has been issued.

(6) "Nonmobile credential" means a nondriver identification card issued under section 115 of this title, a driver's license issued under section 603 of this title, a junior operator's license issued under section 602 of this title, a learner's permit issued under section 617 of this title, a commercial driver's license issued under section 4111 of this title, or a commercial learner's permit issued under section 4112 of this title.

(b) Issuance. The Commissioner of Motor Vehicles may issue a mobile identification to an individual in addition to, and not instead of, a nonmobile credential. If issued, the mobile identification shall:

(1) be capable of producing both a full profile and a limited profile;

(2) satisfy the purpose for which the profile is presented;

(3) allow the mobile identification holder to maintain physical possession of the device on which the mobile identification is accessed during verification; and

(4) not be a substitute for an individual producing a nonmobile credential upon request.

(c) Agreements with other entities. The Commissioner may enter into agreements to facilitate the issuance, use, and verification of a mobile identification or other electronic credentials issued by the Commissioner or another state.

(d) Administration.

(1) The Commissioner may operate, or may operate through a third-party administrator, a verification system for mobile identifications.

(2) Access to the verification system and any data field by a person presented with a mobile identification requires the credential holder's consent, and, if consent is granted, the Commissioner may release the following through the verification system:

(A) for a full profile, all data fields that appear on the mobile identification; and

(B) for a limited profile, only the data fields represented in the limited profile for the mobile identification.

* * * License Plate Stickers; Validation Stickers * * *

Sec. 4. 23 V.S.A. § 305 is amended to read:

§ 305. REGISTRATION PERIODS

(a) The Commissioner of Motor Vehicles shall issue registration certificates~~, validation stickers,~~ and number plates upon initial registration, and registration certificates ~~and validation stickers~~ for each succeeding renewal period of registration upon payment of the registration fee. Number plates so issued will become void one year from the first day of the month following the month of issue, unless a longer initial registration period is authorized by law or unless this period is extended through renewal. Registrations issued for motor trucks shall become void one year from the first day of the month following the month of issue.

(b) The Commissioner shall issue a registration certificate~~, validation sticker,~~ and a number plate or number plates for each motor vehicle owned by the State, which shall be valid for a period of five years. Such motor vehicle shall be considered properly registered while the issued number plate or number plates are attached to the motor vehicle. The Commissioner may replace such number plate or number plates when in ~~his or her~~ the Commissioner's discretion their condition requires.

(c) ~~Except as otherwise provided in subsection (d) of this section, no plate is valid unless the validation sticker is affixed to the rear plate in the manner prescribed by the Commissioner in section 511 of this title.~~ [Repealed.]

(d) When a registration for a motor vehicle, snowmobile, motorboat, or all-terrain vehicle is processed electronically, a receipt shall be available electronically and for printing. An electronic or printed receipt shall serve as a temporary registration for 10 days after the date of the transaction. An

electronic receipt may be shown to an enforcement officer using a portable electronic device. Use of a portable electronic device to display the receipt does not in itself constitute consent for an officer to access other contents of the device.

Sec. 5. 23 V.S.A. § 326 is amended to read:

§ 326. REFUND UPON LOSS OF VEHICLE

The Commissioner may cancel the registration of a motor vehicle when the owner ~~thereof~~ of the motor vehicle proves to ~~his or her~~ the Commissioner's satisfaction that ~~it~~ the motor vehicle has been totally destroyed by fire or, through crash or wear, has become wholly unfit for use and has been dismantled. After the Commissioner cancels the registration and the owner returns to the Commissioner either the registration certificate~~,~~ or the number plate or number plates ~~and the validation sticker~~, the Commissioner shall certify to the Commissioner of Finance and Management the fact of the cancellation, giving the name of the owner of the motor vehicle, ~~his or her~~ the owner's address, the amount of the registration fee paid, and the date of cancellation. The Commissioner of Finance and Management shall issue ~~his or her~~ the Commissioner of Finance and Management's warrant in favor of the owner for such percent of the registration fee paid as the unexpired term of the registration bears to the entire registration period, but in no case shall the Commissioner of Finance and Management retain less than $5.00 of the fee paid.

Sec. 6. 23 V.S.A. § 364b is amended to read:

§ 364b. ALL-SURFACE VEHICLES; REGISTRATION

(a) The annual fee for registration of an all-surface vehicle (ASV) shall be the sum of the fees established by sections 3305 and 3504 of this title, plus $26.00.

(b) Evidence of the registration shall be a ~~sticker, as determined by the Commissioner, affixed to~~ registration certificate and the number plate issued pursuant to chapter 31 of this title.

Sec. 7. 23 V.S.A. § 453(f) is amended to read:

(f) In any year that number plates are reused ~~and validation stickers are issued~~, the Commissioner shall not be required to issue new number plates to persons renewing registrations under this section.

Sec. 8. 23 V.S.A. § 457 is amended to read:

§ 457. TEMPORARY PLATES

At the time of the issuance of a registration certificate to a dealer as provided in this chapter, the Commissioner shall furnish the dealer with a sufficient number of number plates ~~and temporary validation stickers~~, temporary number plates, or temporary decals for use during the 60-day period immediately following sale of a vehicle or motorboat by the dealer. The plates and decals shall have the same general design as the plates or decals furnished individual owners, but the plates and decals may be of a material and color as the Commissioner may determine. The Commissioner shall collect a fee of $5.00 for each temporary plate issued.

Sec. 9. 23 V.S.A. § 458 is amended to read:

§ 458. TEMPORARY PLATE ON SOLD OR EXCHANGED VEHICLES

On the day of the sale or exchange of a motor vehicle, motorboat, snowmobile, or all-terrain vehicle to be registered in this State, a dealer may issue to the purchaser, for attachment to the motor vehicle, snowmobile, or all-terrain vehicle, or to be carried in or on the motorboat, a number plate ~~with temporary validation stickers~~, a temporary number plate, or a temporary decal, provided that the purchaser deposits with such dealer, for transmission to the Commissioner, a properly executed application for the registration of such motor vehicle, motorboat, snowmobile, or all-terrain vehicle and the required fee. If a properly licensed purchaser either attaches to the motor vehicle, snowmobile, or all-terrain vehicle or carries in the motorboat such number plate or decal, ~~he or she~~ the purchaser may operate the same for a period not to exceed 60 consecutive days immediately following the purchase. ~~An individual shall not operate a motor vehicle, motorboat, snowmobile, or all-terrain vehicle with a number plate with temporary validation stickers, a temporary number plate, or a temporary decal attached to the motor vehicle or carried in the motorboat except as provided in this section.~~

Sec. 10. 23 V.S.A. § 459 is amended to read:

§ 459. NOTICE, APPLICATION, AND FEES TO COMMISSIONER

(a) Upon issuing a number plate ~~with temporary validation stickers~~, a temporary number plate, or a temporary decal to a purchaser, a dealer shall have 15 calendar days, or up to 30 calendar days as applicable pursuant to subsection 2015(b) of this title, to forward to the Commissioner the application and fee, deposited with ~~him or her~~ the dealer by the purchaser, together with notice of such issue and such other information as the Commissioner may require.

(b) If a number plate with ~~temporary validation stickers,~~ a temporary registration plate~~,~~ or a temporary decal is not issued by a dealer in connection with the sale or exchange of a vehicle or motorboat, the dealer may accept from the purchaser a properly executed registration, tax, and title application and the required fees for transmission to the Commissioner. The dealer shall have 15 calendar days, or up to 30 calendar days as applicable pursuant to subsection 2015(b) of this title, to forward to the Commissioner the application and fee together with such other information as the Commissioner may require.

Sec. 11. 23 V.S.A. § 465 is amended to read:

§ 465. LOANING OF PLATES, VEHICLES, OR MOTORBOATS PROHIBITED

A dealer shall not lend or lease registration certificates, ~~validation stickers,~~ numbers, decals, or number plates that have been assigned to ~~him or her~~ the dealer under the provisions of this chapter, nor shall ~~he or she~~ the dealer lend or lease a vehicle or motorboat to which ~~his or her~~ the dealer's decals, numbers, or number plates have been attached, nor lend or lease ~~his or her~~ the dealer's decals, numbers, or number plates to a subagent.

Sec. 12. 23 V.S.A. § 494 is amended to read:

§ 494. FEES

The annual fee for a transporter's registration certificate~~,~~ or number plate~~,~~ ~~or validation sticker~~ is $123.00.

Sec. 13. 23 V.S.A. § 511 is amended to read:

§ 511. MANNER OF DISPLAY

(a) Number plates. A motor vehicle operated on any highway shall have displayed in a conspicuous place either one or two number plates as the Commissioner may require. Such number plates shall be furnished by the Commissioner and shall show the number assigned to such vehicle by the Commissioner. If only one number plate is furnished, the same shall be securely attached to the rear of the vehicle. If two are furnished, one shall be securely attached to the rear and one to the front of the vehicle. The number plates shall be kept entirely unobscured, and the numerals and letters thereon shall be plainly legible at all times. They shall be kept horizontal, shall be so fastened as not to swing, excepting, however, there may be installed on a motor truck or truck tractor a device that would, upon contact with a substantial object, permit the rear number plate to swing toward the front of the vehicle, provided such device automatically returns the number plate to its

original rigid position after contact is released, and the ground clearance of the lower edges thereof shall be established by the Commissioner pursuant to the provisions of 3 V.S.A. chapter 25.

(b) ~~Validation sticker. A registration validation sticker shall be unobstructed and shall be affixed as follows:~~

~~(1) for vehicles issued registration plates with dimensions of approximately 12 x 6 inches, in the lower right corner of the rear registration plate; and~~

~~(2) for vehicles issued a registration plate with a dimension of approximately 7 x 4 inches, in the upper right corner of the rear registration plate.~~ [Repealed.]

(c) Violation. A person shall not operate a motor vehicle unless a number plate or number plates ~~and a validation sticker~~ are displayed as provided in this section.

(d) ~~Failure to display a validation sticker. An operator cited for violating subsection (c) of this section with respect to failure to display a validation sticker on a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than $5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if he or she is cited within the 14 days following the expiration of the motor vehicle's registration.~~ [Repealed.]

* * *

Sec. 14. VALIDATION STICKER REQUIREMENTS IN RULE

(a) Registration and Operation of Snowmobiles, Approved Helmets and VAST Snowmobile Registrations.

(1) Notwithstanding Department of Motor Vehicles, Registration and Operation of Snowmobiles, Approved Helmets and VAST Snowmobile Registrations (CVR 14-050-027), Secs. I(3)(a) and III:

(A) the Department of Motor Vehicles shall not issue temporary and permanent validation stickers, temporary and permanent validating stickers, or "S" stickers;

(B) operators of snowmobiles shall not be required to display temporary or permanent validation stickers, temporary or permanent validating stickers, or "S" stickers; and

(C) the Vermont Association of Snow Travelers (VAST) shall not be required to maintain a log of "S" stickers or have unused registration "S"

stickers available for inspection in Department of Motor Vehicles audits, nor shall VAST agents be eligible to issue "S" stickers.

(2) The Department of Motor Vehicles shall amend the Approved Helmets and VAST Snowmobile Registrations rule to eliminate requirements related to temporary and permanent validation stickers, temporary and permanent validating stickers, and "S" stickers the next time the rule is amended pursuant to 3 V.S.A. chapter 25.

(b) Vermont Dealer Licensing and Schedule of Penalties and Suspension.

(1) Notwithstanding Department of Motor Vehicles, Vermont Dealer Licensing and Schedule of Penalties and Suspension (CVR 14-050-050), Sec. VI(j), there shall not be an administrative penalty assessed for a dealer failing to display a validation sticker on a dealer's registration plate.

(2) The Department of Motor Vehicles shall amend the Vermont Dealer Licensing and Schedule of Penalties and Suspension rule to eliminate the administrative penalty for a dealer failing to display a validation sticker on a dealer's registration plate the next time the rule is amended pursuant to 3 V.S.A. chapter 25.

* * * Electronic Proof of Registration * * *

Sec. 15. 23 V.S.A. § 307 is amended to read:

§ 307. CARRYING OF REGISTRATION CERTIFICATE; REPLACEMENT AND CORRECTED CERTIFICATES

(a) ~~A person~~ An individual shall not operate a motor vehicle nor draw a trailer or semi-trailer unless all required registration certificates are carried in some easily accessible place in the motor vehicle or electronically on a portable electronic device; however, use of a device for this purpose does not in itself constitute consent for an enforcement officer to access other contents of the device.

* * *

(d)(1) An operator cited for violating subsection (a) of this section shall not be convicted if the operator sends a copy of or produces to the issuing enforcement agency within seven business days after the traffic stop proof of a valid registration certificate that was in effect at the time of the traffic stop.

(2) An operator cited for violating subsection (a) of this section with respect to a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than $5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if

~~he or she~~ the operator is cited within the 14 days following the expiration of the motor vehicle's registration.

* * * Registration Fees; Plug-In Electric Vehicles * * *

Sec. 16. 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

The annual registration fee for ~~registration of any motor vehicle of the~~ a pleasure car ~~type, and all vehicles powered by electricity~~ as defined in subdivision 4(28) of this title, and including a pleasure car that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be $74.00~~,~~ and the biennial fee shall be $136.00.

Sec. 17. 23 V.S.A. § 362 is amended to read:

§ 362. SPECIALIZED FUEL MOTOR VEHICLES AND MOTOR BUSES

(a) The annual registration fee for ~~the registration of~~ any ~~"~~specialized fuel driven motor vehicle~~",~~ as defined in ~~section~~ subdivision 4(22) of this title, and of motor buses, as defined in section 3002 of this title, shall be one and three-quarters times the amount of the annual fee provided for a motor vehicle of the classification and weight under the terms of this chapter.

(b) Notwithstanding subsection (a) of this section, the annual and biennial registration fees for a pleasure car, as defined in subdivision 4(28) of this title, that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be determined pursuant to section 361 of this chapter, and the annual registration fee for a motorcycle, as defined in subdivision 4(18)(A) of this title, that is a plug-in electric vehicle, as defined in subdivision 4(85) of this title, shall be determined pursuant to section 364 of this chapter.

* * * Distracted Driving; Hands-Free Use * * *

Sec. 18. 23 V.S.A. § 1095b is amended to read:

§ 1095b. HANDHELD USE OF PORTABLE ELECTRONIC DEVICE PROHIBITED

(a) ~~Definition~~ Definitions. As used in this section~~, "hands-free~~:

(1) "Hands-free use" means the use of a portable electronic device without ~~use of~~ utilizing either hand by employing an internal feature of, or an attachment to, the device or a motor vehicle.

(2) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).

(3) "Securely mounted" means the portable electronic device is placed in an accessory specifically designed or built to support the hands-free use of a

portable electronic device that is not affixed to the windshield in violation of section 1125 of this title and either:

(A) is utilized in accordance with manufacturer specifications; or

(B) causes the portable electronic device to remain completely stationary under typical driving conditions.

(4) "Use" means the use of a portable electronic device in any way that is not a hands-free use, including an operator of a motor vehicle holding a portable electronic device in the operator's hand or hands while operating a motor vehicle.

(b) Use of handheld portable electronic device prohibited.

(1) An individual shall not use a portable electronic device while operating:

(A) a moving motor vehicle in a place open temporarily or permanently to public or general circulation of vehicles.; or

~~(2) In addition, an individual shall not use a portable electronic device while operating~~

(B) a motor vehicle on a public highway in Vermont, including while the vehicle is stationary, ~~unless otherwise provided in this section. As used in this subdivision (b)(2):~~

~~(A) "Public highway" means a State or municipal highway as defined in 19 V.S.A. § 1(12).~~

~~(B) "Operating" means operating a motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other temporary delays. "Operating" does not include operating a motor vehicle with or without the motor running when the operator has moved the vehicle to the side of or off the public highway and has halted in a location where the vehicle can safely and lawfully remain stationary~~ including while temporarily stationary because of traffic, a traffic control device, or other temporary delays.

~~(3)~~(2) The prohibitions of this subsection shall not apply:

(A) ~~To~~ to hands-free use.;

(B) ~~To~~ to activation or deactivation of hands-free use, ~~as long as any accessory for securely mounting the device is not affixed to the windshield in violation of section 1125 of this title.~~ provided the portable electronic device is securely mounted or the activation or deactivation is done through an internal

feature of the device or the motor vehicle being operated and without the operator utilizing either hand to hold the portable electronic device;

(C) ~~When~~ when use of a portable electronic device is necessary for an individual to communicate with law enforcement or emergency service personnel under emergency circumstances or in response to a direction or order from law enforcement~~.~~;

(D) ~~To~~ to use of an ignition interlock device, as defined in section 1200 of this title~~.~~;

(E) ~~To~~ to use of a global positioning or navigation system if it is installed by the manufacturer or securely mounted in the vehicle ~~in a manner that does not violate section 1125 of this title. As used in this subdivision (b)(3)(E), "securely mounted" means the device is placed in an accessory or location in the vehicle, other than the operator's hands, where the device will remain stationary under typical driving conditions~~; or

(F) when the operator has moved the motor vehicle to the side of or off the public highway and has halted, with or without the motor running, in a location where the vehicle can safely and lawfully remain stationary.

* * *

* * * Total Abstinence Program * * *

Sec. 19. 23 V.S.A. § 1209a is amended to read:

§ 1209a. CONDITIONS OF REINSTATEMENT; ALCOHOL AND DRIVING EDUCATION; SCREENING; THERAPY PROGRAMS

(a) Conditions of reinstatement. No license or privilege to operate suspended or revoked under this subchapter, except a license or privilege to operate suspended under section 1216 of this title, shall be reinstated except as follows:

(1) In the case of a first suspension, a license or privilege to operate shall be reinstated only:

(A) after the ~~person~~ individual has successfully completed the Alcohol and Driving Education Program, at the ~~person's~~ individual's own expense, followed by an assessment of the need for further treatment by a State-designated counselor, at the ~~person's~~ individual's own expense, to determine whether reinstatement should be further conditioned on satisfactory completion of a therapy program agreed to by the ~~person~~ individual and the Drinking Driver Rehabilitation Program Director;

(B) if the screening indicates that therapy is needed, after the ~~person~~ individual has satisfactorily completed or shown substantial progress in

completing a therapy program at the ~~person's~~ individual's own expense agreed to by the ~~person~~ individual and the Driver Rehabilitation Program Director;

(C) if the ~~person~~ individual elects to operate under an ignition interlock RDL or ignition interlock certificate, after the ~~person~~ individual operates under the RDL or certificate for the applicable period set forth in subsection 1205(a) or section 1206 of this title, plus any extension of this period arising from a violation of section 1213 of this title; and

(D) if the ~~person~~ individual has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(2) In the case of a second suspension, a license or privilege to operate shall not be reinstated until:

(A) the ~~person~~ individual has successfully completed an alcohol and driving rehabilitation program;

(B) the ~~person~~ individual has completed or shown substantial progress in completing a therapy program at the ~~person's~~ individual's own expense agreed to by the ~~person~~ individual and the Driver Rehabilitation Program Director;

(C) after the ~~person~~ individual operates under an ignition interlock RDL or ignition interlock certificate for 18 months or, in the case of ~~a person~~ someone subject to the one-year hard suspension prescribed in subdivision 1213(a)(1)(C) of this title, for one year, plus any extension of the relevant period arising from a violation of section 1213 of this title, except if otherwise provided in subdivision (4) of this subsection (a); and

(D) the ~~person~~ individual has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(3) In the case of a third or subsequent suspension or a revocation, a license or privilege to operate shall not be reinstated until:

(A) the ~~person~~ individual has successfully completed an alcohol and driving rehabilitation program;

(B) the ~~person~~ individual has completed or shown substantial progress in completing a therapy program at the ~~person's~~ individual's own expense agreed to by the ~~person~~ individual and the Driver Rehabilitation Program Director;

(C) the ~~person~~ individual has satisfied the requirements of subsection (b) of this section; and

(D) the ~~person~~ individual has no pending criminal charges, civil citations, or unpaid fines or penalties for a violation under this chapter.

(4) The Commissioner shall waive a requirement under subdivision (2) of this subsection or subsection (b) of this section that ~~a person~~ an individual operate under an ignition interlock RDL or certificate prior to eligibility for reinstatement if:

(A) the ~~person~~ individual furnishes sufficient proof as prescribed by the Commissioner that ~~he or she~~ the individual is incapable of using an ignition interlock device because of a medical condition that will persist permanently or at least for the term of the suspension or, in the case of suspensions or revocations for life, for a period of at least three years; or

(B) the underlying offenses arose solely from being under the influence of a drug other than alcohol.

(b) Total Abstinence Program.

(1) As used in this subsection:

(A) "Drug" means:

(i) a regulated drug, as defined in 18 V.S.A. § 4201, that is used in any way other than as prescribed for a legitimate medical use in conformity with instructions from the prescriber; or

(ii) any substance or combination of substances, other than alcohol or a regulated drug, that potentially affects the nervous system, brain, or muscles of an individual so as to impair an individual's ability to drive a vehicle safely to the slightest degree.

(B) "Total abstinence" means refraining from consuming any amount of alcohol or drugs at any time, regardless of whether the alcohol or drugs are consumed by an individual when attempting to operate, operating, or in actual physical control of a vehicle.

(2)(A) Notwithstanding any other provision of this subchapter, ~~a person~~ an individual whose license or privilege to operate has been suspended or revoked for life under this subchapter may apply to the Commissioner for reinstatement of ~~his or her~~ the individual's driving privilege if the individual satisfies the requirements set forth in subdivision (3) of this subsection (b). ~~The person shall have completed three years of total abstinence from consumption of alcohol and nonprescription regulated drugs. The use of a regulated drug in accordance with a valid prescription shall not disqualify an applicant for reinstatement of his or her driving privileges unless the applicant used the regulated drug in a manner inconsistent with the prescription label.~~

(B) The beginning date for the period of total abstinence shall be not earlier than the effective date of the suspension or revocation from which the ~~person~~ individual is requesting reinstatement and shall not include any period during which the ~~person~~ individual is serving a sentence of incarceration to include furlough. The application shall include the applicant's authorization for a urinalysis examination, or another examination if it is approved as a preliminary screening test under this subchapter, to be conducted prior to reinstatement under this subdivision (2). The application to the Commissioner shall be accompanied by a fee of $500.00. The Commissioner shall have the discretion to waive the application fee if the Commissioner determines that payment of the fee would present a hardship to the applicant.

~~(2)~~(3) If the Commissioner or a medical review board convened by the Commissioner is satisfied by a preponderance of the evidence that the applicant has ~~abstained for the required number of years~~ maintained total abstinence for the three years immediately preceding the application, has successfully completed a therapy program as required under this section, and has operated under a valid ignition interlock RDL or under an ignition interlock certificate for at least three years following the suspension or revocation, and the ~~person~~ applicant provides a written acknowledgment that ~~he or she cannot drink any amount of alcohol at all and cannot consume nonprescription regulated drugs under any circumstances~~ the applicant must maintain total abstinence at all times while participating in the Total Abstinence Program, the ~~person's~~ applicant's license or privilege to operate shall be reinstated immediately, subject to the condition that the ~~person's~~ applicant's suspension or revocation will be put back in effect in the event any further investigation reveals a ~~return to the consumption of alcohol or drugs~~ failure to maintain total abstinence and to ~~such~~ any additional conditions as the Commissioner may impose to advance the public interest in public safety. The requirement to operate under an ignition interlock RDL or ignition interlock certificate shall not apply if the ~~person~~ applicant is exempt under subdivision (a)(4) of this section.

~~(3)~~(4) If after notice and an opportunity for a hearing the Commissioner later finds that the ~~person~~ individual was violating the conditions of the ~~person's~~ individual's reinstatement under this subsection, the ~~person's~~ individual's operating license or privilege to operate shall be immediately suspended or revoked for life.

~~(4)~~(5) If the Commissioner finds that ~~a person~~ an individual reinstated under this subsection is suspended pursuant to section 1205 of this title or is convicted of a violation of section 1201 of this title subsequent to

reinstatement under this subsection, the ~~person~~ individual shall be conclusively presumed to be in violation of the conditions of ~~his or her~~ the reinstatement.

~~(5)~~(6) ~~A person~~ An individual shall be eligible for reinstatement under this subsection only once following a suspension or revocation for life.

~~(6)~~(7)(A) If an applicant for reinstatement under this subsection (b) resides in a jurisdiction other than Vermont, the Commissioner may elect not to conduct an investigation. If the Commissioner elects not to conduct an investigation, ~~he or she~~ the Commissioner shall provide a letter to the applicant's jurisdiction of residence stating that Vermont does not object to the jurisdiction issuing the applicant a license if the applicant is required to operate only vehicles equipped with an ignition interlock device for at least a three-year period, unless exempt under subdivision (a)(4) of this section, and is required to complete any alcohol rehabilitation or treatment requirements of the licensing jurisdiction.

(B) If the applicant's jurisdiction of residence is prepared to issue or has issued a license in accordance with subdivision (A) of this subdivision (6) and the applicant satisfies the requirements of section 675 of this title, the Commissioner shall update relevant State and federal databases to reflect that the applicant's lifetime suspension or revocation in Vermont under chapter 13, subchapter 13 of this title has terminated.

(c) Screening and therapy programs. In the case of a second or subsequent suspension, the Commissioner shall notify the ~~person that he or she is required~~ individual of the requirement to enroll in the alcohol and driving education screening and therapy program provided for in this section within 30 days ~~of~~ after license suspension. If the ~~person~~ individual fails to enroll or fails to remain so enrolled until completion, the Drinking Driver Rehabilitation Program shall report such failure to the sentencing court. The court may order the ~~person~~ individual to appear and show cause why ~~he or she~~ the individual failed to comply.

(d) Judicial review. ~~A person~~ An individual aggrieved by a decision of a designated counselor under this section may seek review of that decision pursuant to Rule 75 of the Vermont Rules of Civil Procedure.

* * *

Sec. 20. CURRENT TOTAL ABSTINENCE PROGRAM PARTICIPANTS

(a) Not later than September 1, 2023, the Commissioner of Motor Vehicles shall provide written notice to all individuals participating in or applying to participate in the Total Abstinence Program as of the effective date of this section of amendments to 23 V.S.A. § 1209a and that, as of the effective date of this section, they must maintain total abstinence, as defined in 23 V.S.A.

§ 1209a(b)(1) as amended by Sec. 19 of this act, at all times while participating in or applying to participate in the Total Abstinence Program. Notice shall be mailed to an individual's residence or mailing address as currently listed with the Department of Motor Vehicles.

(b) Notwithstanding any provision of law to the contrary, the license or privilege to operate of an individual participating in the Total Abstinence Program on the effective date of this section may be suspended or revoked for life in accordance with 23 V.S.A. § 1209a(b)(3), as amended by Sec. 19 of this act, in the event that any further investigation reveals a failure to maintain total abstinence, as defined in 23 V.S.A. § 1209a(b)(1) as amended by Sec. 19 of this act.

* * * Overweight Permits * * *

Sec. 21. 23 V.S.A. § 1392 is amended to read:

§ 1392. GROSS WEIGHT LIMITS ON HIGHWAYS

Except as provided in section 1400 of this title, a person or corporation shall not operate or cause to be operated a motor vehicle in excess of the total weight, including vehicle, object, or contrivance and load, of:

* * *

(3) No vehicle may exceed a gross weight in excess of 80,000 pounds unless the operator or owner of the vehicle has complied with the provisions of section 1400 of this title or except as otherwise provided in this section.

* * *

(13) Despite the axle-load provisions of section 1391 of this title and the maximum gross load of subdivision (4) of this section, a special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following date of issue, may be issued to a person ~~or corporation~~ operating on designated routes on the State Highway System for a fee of ~~$415.00~~ $382.00 for each vehicle ~~that must be~~ registered for a weight of 80,000 pounds. This special permit shall be issued only for a combination of vehicle and semi-trailer or trailer equipped with five or more axles, with a distance between axles that meets the minimum requirements of registering the vehicle to 80,000 pounds as allowed under subdivision (4) of this section. The maximum gross load under this special permit shall be 90,000 pounds. Unless authorized by federal law, this subdivision shall not apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways.

(14) Despite the axle-load provisions of section 1391 of this title and the axle spacing and maximum gross load provisions of subdivision (4) of this section, a special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following date of issue, may be issued to a person ~~or corporation~~ transporting loads on vehicles on designated routes on the State Highway System for the following fees for each vehicle unit. Unless authorized by federal law, the provisions of this subdivision regarding weight limits~~,~~ or tolerances, or both, shall not apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways. This special permit shall be issued for the following vehicles and conditions:

* * *

(16) Notwithstanding the axle load provisions of section 1391 of this title and the maximum gross load of subdivision (4) of this section, a five or more axle truck tractor, semi-trailer combination, or truck trailer combination, when the load consists solely of unprocessed milk products as defined in subdivision 4(55) of this title, may be registered for and operated with a maximum gross weight of 90,000 pounds on State highways without permit and upon posted State and town highways ~~and those highways designated as the Dwight D. Eisenhower National System of Interstate and Defense Highways~~ when the vehicle has been issued a permit in compliance with the provisions of section 1400 of this title; however:

(A) Vehicles operated pursuant to this subdivision (16) shall be subject to the same axle spacing restrictions as are applied to five or more axle vehicles registered to 80,000 pounds as set forth in subdivision (4) of this section.

(B) ~~On those highways designated as the Dwight D. Eisenhower National System of Interstate and Defense Highways, the provisions of subsection 1391(c) of this title shall apply unless other axle load limits, tolerances, or both, are authorized under federal law.~~ Unless prohibited by federal law, the provisions of this subdivision (16) shall apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways.

(C) ~~The fee for the annual permit as provided in this subdivision (16) shall be $10.00 when the fee has been paid to register the vehicle for 90,000 pounds or $382.00 when the vehicle is registered for 80,000 pounds.~~ [Repealed.]

(17) Notwithstanding the gross vehicle weight provisions of subdivision (4) of this section, a truck trailer combination or truck tractor, semi-trailer

combination with six or more load-bearing axles registered for 80,000 pounds shall be allowed to bear a maximum of 99,000 pounds by special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following the date of issue, for operating on designated routes on State and town highways, subject to the following:

(A) The combination of vehicles must have, as a minimum, a distance of 51 feet between extreme axles.

(B) The axle weight provisions of section 1391 of this title and ~~subdivision 1392~~ the axle weight provisions of subdivisions (6)(A)–(D) of this section shall also apply to vehicles permitted under this subdivision (17).

(C) When determining the ~~fine~~ civil penalty for a gross overweight violation of this subdivision (17), the ~~fine~~ civil penalty for any portion of the first 10,000 pounds over the permitted weight shall be the same as provided in section 1391a of this title, and for overweight violations 10,001 pounds or more over the permitted weight, the ~~fine~~ civil penalty schedule provided in section 1391a shall be doubled.

(D) The weight permitted by this subdivision (17) shall be allowed for foreign trucks that are registered or permitted for 99,000 pounds in a state or province that recognizes Vermont vehicles for weights consistent with this subdivision (17).

(E) Unless authorized by federal law, the provisions of this subdivision (17) shall not apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways.

(F) The fee for the annual permit as provided in this subdivision (17) shall be ~~$415.00~~ $382.00 for vehicles bearing up to 90,000 pounds and $560.00 for vehicles bearing up to 99,000 pounds.

* * *

(19)(A) A person issued a permit under the provisions of subdivision (13), (14), ~~(16),~~ or (17) of this section, and upon payment of a $10.00 administrative fee for each additional permit, may obtain additional permits for the same vehicle, provided the additional permit is for a lesser weight and provided the vehicle or combination of vehicles meets the minimum requirements for the permit sought as set forth in this section.

* * *

Sec. 22. [Deleted.]

* * * Electronic Permits * * *

Sec. 23. 23 V.S.A. § 1392 is amended to read:

§ 1392. GROSS WEIGHT LIMITS ON HIGHWAYS

Except as provided in section 1400 of this title, a person ~~or corporation~~ shall not operate or cause to be operated a motor vehicle in excess of the total weight, including vehicle, object, or contrivance and load, of:

* * *

(21) ~~All permits issued pursuant to this section shall be carried in the vehicle. The fine for violation of this subdivision shall be $150.00. A violation of this subdivision shall be considered an offense separate from an overweight violation.~~ [Repealed.]

Sec. 24. 23 V.S.A. § 1455 is added to read:

§ 1455. CARRYING OF PERMITS IN THE PERMITTED MOTOR VEHICLE

All permits issued pursuant to this subchapter shall be carried in the motor vehicle in either paper or electronic form. Use of a portable electronic device to display an electronic permit does not in itself constitute consent for an enforcement officer to access other contents of the device. The civil penalty for violation of this section shall be $150.00. A violation of this section shall be considered an offense separate from any other related violations.

* * * Title * * *

* * * Prospective Elimination of 15-Year Limitation; Electronic Title * * *

Sec. 25. 23 V.S.A. § 2012 is amended to read:

§ 2012. EXEMPTED VEHICLES

No certificate of title need be obtained for:

* * *

(10) a vehicle that is more than 15 years old on January 1, 2024.

Sec. 26. 23 V.S.A. § 2013 is amended to read:

§ 2013. WHEN CERTIFICATE REQUIRED~~; ISSUANCE OF EXEMPT VEHICLE TITLE UPON REQUEST~~

(a)(1) Except as provided in section 2012 of this title, the provisions of this chapter shall apply to and a title must be obtained for all motor vehicles at the time of first registration or when a change of registration is required under the provisions of section 321 of this title by reason of a sale for consideration.

(2) ~~In addition, a Vermont resident may apply at any time to the Commissioner to obtain an "exempt vehicle title" for a vehicle that is more than 15 years old. Such titles shall be in a form prescribed by the Commissioner and shall include a legend indicating that the title is issued under the authority of this subdivision. The Commissioner shall issue an exempt vehicle title if the applicant pays the applicable fee and fulfills the requirements of this section, and if the Commissioner is satisfied that:~~

~~(A) the applicant is the owner of the vehicle;~~

~~(B) the applicant is a Vermont resident; and~~

~~(C) the vehicle is not subject to any liens or encumbrances.~~ [Repealed.]

(3) ~~Prior to issuing an exempt vehicle title pursuant to subdivision (2) of this subsection, the Commissioner shall require all of the following:~~

~~(A) The applicant to furnish one of the following proofs of ownership, in order of preference:~~

~~(i) a previous Vermont or out-of-state title indicating the applicant's ownership;~~

~~(ii) an original or a certified copy of a previous Vermont or out-of-state registration indicating the applicant's ownership;~~

~~(iii) sufficient evidence of ownership as determined by the Commissioner, including bills of sale or original receipts for major components of homebuilt vehicles; or~~

~~(iv) a notarized affidavit certifying that the applicant is the owner of the vehicle and is unable to produce the proofs listed in subdivisions (i)–(iii) of this subdivision (3)(A) despite reasonable efforts to do so.~~

~~(B) A notarized affidavit certifying:~~

~~(i) the date the applicant purchased or otherwise took ownership of the vehicle;~~

~~(ii) the name and address of the seller or transferor, if known;~~

~~(iii) that the applicant is a Vermont resident; and~~

~~(iv) that the vehicle is not subject to any liens or encumbrances.~~

~~(C) Assignment of a new vehicle identification number pursuant to section 2003 of this title, if the vehicle does not have one.~~ [Repealed.]

* * *

Sec. 27. 23 V.S.A. § 2017 is amended to read:

§ 2017. ISSUANCE OF CERTIFICATE; RECORDS

(a) The Commissioner shall file each application received and, when satisfied as to its genuineness and regularity and that the applicant is entitled to the issuance of a certificate of title, shall issue a certificate of title of the vehicle, without regard to the age of the vehicle.

(b) The Commissioner may issue an electronic certificate of title, provided that the applicant is entitled to the issuance of the certificate of title pursuant to subsection (a) of this section.

(c) The Commissioner shall maintain ~~at his or her central office~~ a record of all certificates of title issued ~~by him or her for vehicles 15 years old and newer,~~ and of all exempt vehicle titles issued ~~by him or her,~~ under a distinctive title number assigned to the vehicle; under the identification number of the vehicle; alphabetically, under the name of the owner; and, in the discretion of the Commissioner, by any other method ~~he or she~~ the Commissioner determines. The original records may be maintained on microfilm or electronic imaging.

Sec. 28. 23 V.S.A. § 2091(a) is amended to read:

(a) Except for vehicles for which no certificate of title is required pursuant to section 2012 of this title ~~and for vehicles that are more than 15 years old~~, any person who purchases or in any manner acquires a vehicle as salvage; any person who scraps, dismantles, or destroys a motor vehicle; or any insurance company or representative thereof who declares a motor vehicle to be a total loss, shall apply to the Commissioner for a salvage certificate of title within 15 days ~~of~~ after the time the vehicle is purchased or otherwise acquired as salvage; is scrapped, dismantled, or destroyed; or is declared a total loss. However, an insurance company or representative thereof proceeding under subsection (c) of this section may apply outside this 15-day window to the extent necessary to comply with the requirements of that subsection.

* * * Nonresident Title * * *

Sec. 29. 23 V.S.A. § 2020 is amended to read:

§ 2020. WITHHOLDING OF CERTIFICATE; BOND REQUIRED

If the Commissioner is not satisfied as to the ownership of the vehicle or that there are no undisclosed security interests in it, the Commissioner may register the vehicle but shall either:

(1) Withhold issuance of a certificate of title until the applicant presents documents reasonably sufficient to satisfy the Commissioner as to the

applicant's ownership of the vehicle and that there are no undisclosed security interests in it~~; or~~.

(2) As a condition of issuing a certificate of title, require ~~the~~ an applicant who is a Vermont resident to file with the Commissioner a bond in the form prescribed by the Commissioner and executed by the applicant, and either accompanied by the deposit of cash with the Commissioner or also executed by a person authorized to conduct a surety business in this State. The bond shall be in an amount equal to one and one-half times the value of the vehicle as determined by the Commissioner and conditioned to indemnify any prior owner and lienholder and any subsequent purchaser of the vehicle or person acquiring any security interest in it, and their respective successors in interest, against any expense, loss, or damage, including reasonable attorney's fees, by reason of the issuance of the certificate of title of the vehicle or on account of any defect in or undisclosed security interest upon the right, title, and interest of the applicant in and to the vehicle. Any such interested person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond. The bond, and any deposit accompanying it, shall be returned at the end of three years or earlier if the vehicle is no longer registered in this State and the currently valid certificate of title is surrendered to the Commissioner, unless the Commissioner has been notified of the pendency of an action to recover on the bond. The Commissioner shall not issue titles to nonresidents under the provisions of this subdivision.

* * * Towing; Abandoned Vehicles * * *

Sec. 30. 23 V.S.A. § 4(88) is added to read:

(88) "Towing business" means a person that regularly engages in one or more of the following: recovery, impoundment, transport, storage, or disposal of motor vehicles.

Sec. 31. 23 V.S.A. § 2151 is amended to read:

§ 2151. DEFINITIONS

As used in this subchapter:

(1)(A) "Abandoned motor vehicle" means:

(i) a motor vehicle that has remained on public or private property or on or along a highway for more than 48 hours without the consent of the owner or person in control of the property and has a valid registration plate or public vehicle identification number that has not been removed, destroyed, or altered; or

(ii) a motor vehicle that has remained on public or private property or on or along a highway without the consent of the owner or person in control of the property for any period of time if:

(I) the vehicle does not have a valid registration plate or the public vehicle identification number has been removed, destroyed, or altered; or

(II) a law enforcement officer has requested that the vehicle be removed by a towing business.

(B) "Abandoned motor vehicle" does not include a vehicle or other equipment used or to be used in construction or in the operation or maintenance of highways or public utility facilities, which is left in a manner that does not interfere with the normal movement of traffic.

(2) "Landowner" means a person who owns or leases or otherwise has authority to control use of real property.

(3) "Law enforcement officer" means a State Police officer, municipal police officer, motor vehicle inspector, Capitol Police officer, constable, sheriff, or deputy sheriff certified by the Vermont Criminal Justice Council under 20 V.S.A. § 2358.

(4) "Motor vehicle" means all vehicles propelled or drawn by power other than muscular power that have, or could have, one or more of the following:

(A) a registration plate, registration decal, or certificate of number;

(B) a public vehicle identification number; or

(C) a certificate of title.

~~(3)~~(5) "Public vehicle identification number" means the public vehicle identification number that is usually visible through the windshield and attached to the driver's side of the dashboard, instrument panel, or windshield pillar post or on the doorjamb on the driver's side of the vehicle.

Sec. 32. 23 V.S.A. § 2153(a) is amended to read:

(a) A landowner on whose property an abandoned motor vehicle ~~is located~~ was discovered or has been relocated to shall apply to the Department for an abandoned motor vehicle certification on forms supplied by the Department within ~~30~~ 90 days ~~of~~ after the date the vehicle was discovered ~~on or brought to the property unless the vehicle has been removed from the property~~ or relocated. An abandoned motor vehicle certification form shall indicate the date that the abandoned motor vehicle was discovered or ~~brought to the property~~ relocated; the make, color, model, and location of the vehicle; the

name, address, and telephone number of the landowner of the property where the vehicle is currently located; and a certification of the public vehicle identification number, if any, ~~to be recorded~~ prepared by a law enforcement officer, licensed dealer, or inspection station designated by the Commissioner of Motor Vehicles. This subsection shall not be construed as creating a private right of action against the landowner of the property where an abandoned motor vehicle is located.

Sec. 33. 23 V.S.A. § 2158 is amended to read:

§ 2158. FEES FOR TOWING; PUBLIC PROPERTY; FUNDING

(a) A towing service may charge a fee of up to ~~$40.00~~ $125.00 for towing an abandoned motor vehicle from public property under the provisions of sections 2151–2157 of this ~~title~~ subchapter. This fee shall be paid to the towing service upon the issuance by the Department of Motor Vehicles of a certificate of abandoned motor vehicles under section 2156 of this title. The Commissioner of Motor Vehicles shall notify the Commissioner of Finance and Management who shall issue payment to the towing service for vehicles removed from public property. ~~Payments under this section shall terminate upon the payment of a total of $16,000.00 for towing abandoned motor vehicles from public property in any fiscal year. A towing company shall not be eligible for more than 50 percent of this annual allocation.~~

(b) ~~The Commissioner of Motor Vehicles is authorized to expend up to $16,000.00 of the Department's annual appropriation for the purpose of this section.~~ [Repealed.]

Sec. 34. REPORTS ON AMOUNT PAID BY STATE FOR TOWING ABANDONED MOTOR VEHICLES FROM PUBLIC PROPERTY

(a) The Department of Motor Vehicles shall provide an oral report on the following to the House and Senate Committees on Transportation on or before February 15, 2024:

(1) the amount paid by the State pursuant to 23 V.S.A. § 2158 during the first six months of fiscal year 2024; and

(2) a summary of any changes to Department processes related to the payment for the towing of abandoned motor vehicles from public property that were implemented after May 1, 2023.

(b) The Department of Motor Vehicles shall file a written report on the following with the House and Senate Committees on Transportation on or before December 15, 2025:

(1) the amount paid by the State pursuant to 23 V.S.A. § 2158 during fiscal year 2024;

(2) the amount paid by the State pursuant to 23 V.S.A. § 2158 during fiscal year 2025;

(3) a summary of any changes to Department processes related to the payment for the towing of abandoned motor vehicles from public property that were implemented after May 1, 2023; and

(4) any recommendations on changes to State statute related to the towing of abandoned motor vehicles from public property.

Sec. 35. TOWING WORKING GROUP; REPORT

(a) The Office of the Attorney General, in consultation with the Department of Financial Regulation, the Department of Motor Vehicles, the Office of Professional Regulation, and the Office of the Vermont State Treasurer, shall engage in a working group process to study vehicle towing practices in the State of Vermont.

(b) The working group process shall include stakeholder engagement and at least one public hearing. The following shall be invited to participate as a stakeholder:

(1) AAA Northern New England;

(2) Associated General Contractors of Vermont;

(3) Association of Vermont Credit Unions;

(4) Vermont Bankers Association;

(5) Vermont Insurance Agents Association;

(6) Vermont League of Cities and Towns;

(7) Vermont Legal Aid;

(8) Vermont Towing Association;

(9) Vermont Truck and Bus Association;

(10) Vermont Public Interest Research Group; and

(11) any other persons identified by the Office of the Attorney General.

(c) The study shall, at a minimum, address:

(1) pricing of pleasure car and commercial vehicle towing and recovery, including from State and town highways that are restricted based on motor vehicle size;

(2) crash site remediation, including costs borne by towing companies;

(3) storage practices, including:

(A) pricing;

(B) vehicle access for removal of personal belongings; and

(C) vehicle access for removal of cargo;

(4) practices relating to abandonment or suspected abandonment when necessary or appropriate;

(5) any applicable recommendations for amendments to State statute;

(6) best practices from other states; and

(7) any other information that the Office of the Attorney General deems pertinent to the study.

(d) The Attorney General shall file a written report on the study, including any recommendations it deems appropriate, with the House Committees on Commerce and Economic Development, on Government Operations and Military Affairs, and on Transportation and the Senate Committees on Economic Development, Housing and General Affairs, on Finance, on Government Operations, and on Transportation on or before December 15, 2023.

* * * Proof of Liability Insurance; Snowmobiles * * *

Sec. 36. 23 V.S.A. § 3206(b) is amended to read:

(b) A snowmobile shall not be operated:

* * *

(19) Without carrying proof of liability insurance as described in this subdivision. No owner or operator of a snowmobile shall operate or permit the operation of the snowmobile on the Statewide Snowmobile Trail System or public right of way, except on the property of the owner, without having in effect a liability policy or bond in the amounts of at least $25,000.00 for one person and $50,000.00 for two or more persons killed or injured and $10,000.00 for damages to property in any one crash. In lieu thereof, evidence of self-insurance in the amount of $115,000.00 must be filed with the Commissioner. Such financial responsibility shall be maintained and evidenced in a form prescribed by the Commissioner. The standards and process established in subsection 801(c) of this title shall be adopted. An operator may prove financial responsibility using a portable electronic device; however, use of a device for this purpose does not in itself constitute consent

for an enforcement officer to access other contents of the device. An operator cited for violating this subsection shall not be convicted if the operator sends or produces to the issuing enforcement agency within seven business days after the traffic stop proof of financial responsibility that was in effect at the time of the traffic stop.

* * *

* * * Commercial Driver's License; Federal Motor Carrier Safety Administration Drug and Alcohol Clearinghouse * * *

Sec. 37. 23 V.S.A. § 4108 is amended to read:

§ 4108. COMMERCIAL DRIVER'S LICENSE, COMMERCIAL LEARNER'S PERMIT QUALIFICATION STANDARDS

(a) Before issuing a commercial driver's license or commercial learner's permit, the Commissioner shall request the applicant's complete operating record from any state in which the applicant was previously licensed to operate any type of motor vehicle in the past 10 years and conduct a check of the applicant's operating record by querying the National Driver Register established under 49 U.S.C. § 30302 ~~and~~, the Commercial Driver's License Information System established under 49 U.S.C. § 31309, and the Commercial Driver's License Drug and Alcohol Clearinghouse established under 49 C.F.R. Part 382, Subpart G and required pursuant to 49 C.F.R. § 382.725 to determine if:

(1) the applicant has already been issued a commercial driver's license;

(2) the applicant's commercial driver's license has been suspended, revoked, or canceled; ~~or~~

(3) the applicant has been convicted of any offense listed in 49 U.S.C. § 30304(a)(3); or

(4) the applicant has a verified positive, adulterated, or substituted controlled substances test result; has an alcohol confirmation test with a concentration of 0.04 or higher; has refused to submit to a test in violation of 49 C.F.R. § 382.211; or the applicant's employer has reported actual knowledge, as defined at 49 C.F.R. § 382.107, that the applicant used alcohol on duty in violation of 49 C.F.R. § 382.205, used alcohol before duty in violation of 49 C.F.R. § 382.207, used alcohol following an accident in violation of 49 C.F.R. § 382.209, or used a controlled substance in violation of 49 C.F.R. § 382.213.

(b) The Commissioner shall not issue a commercial driver's license or commercial learner's permit to any individual:

* * *

(4) Who has a verified positive, adulterated, or substituted controlled substances test result; has an alcohol confirmation test with a concentration of 0.04 or higher; has refused to submit to a test in violation of 49 C.F.R. § 382.211; or for whom an employer has reported actual knowledge, as defined in 49 C.F.R. § 382.107, that the applicant used alcohol on duty in violation of 49 C.F.R. § 382.205, used alcohol before duty in violation of 49 C.F.R. § 382.207, used alcohol following an accident in violation of 49 C.F.R. § 382.209, or used a controlled substance in violation of 49 C.F.R. § 382.213.

* * *

* * * Purchase and Use Tax * * *

Sec. 38. 32 V.S.A. § 8902(5) is amended to read:

(5) "Taxable cost" means the purchase price as defined in subdivision (4) of this section or the taxable cost as determined under section 8907 of this title. For any purchaser who has paid tax on the purchase or use of a motor vehicle that was sold or traded by the purchaser or for which the purchaser received payment under a contract of insurance, the taxable cost of the replacement motor vehicle other than a leased vehicle shall exclude:

(A) The value allowed by the seller on any motor vehicle accepted by ~~him or her~~ the seller as part of the consideration of the motor vehicle, provided the motor vehicle accepted by the seller is owned and previously or currently registered or titled by the purchaser, with no change of ownership since registration or titling, except for motor vehicles for which registration is not required under the provisions of Title 23 or motor vehicles received under the provisions of subdivision 8911(8) of this title.

(B) The amount received from the sale of a motor vehicle last registered or titled in ~~his or her~~ the seller's name, the amount not to exceed the clean trade-in value of the same make, type, model, and year of manufacture as designated by the manufacturer and as shown in the NADA Official Used Car Guide (New England edition), or any comparable publication, provided such sale occurs within three months ~~of~~ after the taxable purchase. However, this three-month period shall be extended day-for-day for any time that a member of a guard unit or of the U.S. Armed Forces, as defined in 38 U.S.C. § 101(10), spends outside Vermont due to activation or deployment~~,~~ and an additional 60 days following the ~~person's~~ individual's return from activation or deployment. Such amount shall be reported on forms supplied by the Commissioner of Motor Vehicles.

* * *

Sec. 39. 32 V.S.A. § 8911 is amended to read:

§ 8911. EXCEPTIONS

The tax imposed by this chapter shall not apply to:

* * *

(22) Motor vehicles that have been registered to the applicant ~~for a period of at least three years~~ in a jurisdiction that imposes a state sales or use tax on motor vehicles. An applicant for exemption under this subdivision shall bear the burden of establishing to the satisfaction of the Commissioner that the vehicle was registered in a qualifying jurisdiction ~~for the requisite period~~.

* * *

* * * Gross Weight Limits on Highways; Report * * *

Sec. 40. REPORT ON INCREASING GROSS WEIGHT LIMITS ON HIGHWAYS THROUGH SPECIAL ANNUAL PERMIT

(a) The Secretary of Transportation or designee, in collaboration with the Commissioner of Forests, Parks and Recreation or designee; the Executive Director of the Vermont League of Cities and Towns or designee; and the President of the Vermont Forest Products Association or designee and with the assistance of the Commissioner of Motor Vehicles or designee, shall examine adding one or more additional special annual permits to 23 V.S.A. § 1392 to allow for the operation of motor vehicles at a gross vehicle weight over 99,000 pounds and shall file a written report on the examination and any recommendations with the House and Senate Committees on Transportation on or before January 15, 2024.

(b) At a minimum, the examination shall address:

(1) allowing for a truck trailer combination or truck tractor, semi-trailer combination transporting cargo of legal dimensions that can be separated into units of legal weight without affecting the physical integrity of the load to bear a maximum of 107,000 pounds on six axles or a maximum of 117,000 pounds on seven axles by special annual permit;

(2) limitations for any additional special annual gross vehicle weight permits based on highway type, including limited access State highway, non-limited-access State highway, class 1 town highway, and class 2 town highway;

(3) limitations for any additional special annual gross vehicle weight permits based on axle spacing and axle-weight provisions;

(4) reciprocity treatment for foreign trucks from a state or province that recognizes Vermont vehicles permitted at increased gross weights;

(5) permit fees for any additional special annual gross vehicle weight permits;

(6) additional penalties, including civil penalties and permit revocation, for gross vehicle weight violations; and

(7) impacts of any additional special annual gross vehicle permits on the forest economy and on the management and forest cover of Vermont's landscape.

* * * Implementation of DMV Modernization Project; Driver Services * * *

Sec. 41. IMPLEMENTATION OF DEPARTMENT OF MOTOR VEHICLES MODERNIZATION PROJECT; GENERAL ASSEMBLY OVERSIGHT

(a) Findings. The General Assembly finds that:

(1) The Department of Motor Vehicles provides services to almost all Vermonters, including, in fiscal year 2022, engaging in more than a million transactions, with almost half of all transactions being conducted online.

(2) The Department is in the middle of the DMV Core System Modernization project, with an estimated launch date for the vehicle services module in November 2023 and with the driver services module expected to launch approximately 18 months after it commences in February 2024.

(3) As part of its design and implementation of the vehicle services module, the Department has discovered that one of the barriers to modernizing Department operations is certain outdated statutes. In order to best modernize and optimize Department processes for the future during the months-long module design and development process, the Commissioner of Motor Vehicles has had to make business decisions based on the needs of the Department to modernize processes to best meet the needs of Vermonters. These business decisions will, upon future implementation, conflict with statute if certain statutes are not amended through the legislative process.

(4) The driver services module of the DMV Core System Modernization project will design and implement processes to issue and maintain driver's licenses and other credentials; support fraud detection and investigation; administer hearings; and administer, manage, and report driver restrictions, convictions, and other information related to driver improvement.

(5) Driver services processes are regulated by statute in 23 V.S.A. chapters 1, 3, 5, 9, 11, 24, 25, and 39, as well as more than 15 rules adopted pursuant to authority under Title 23.

(6) It is anticipated that in designing and implementing the driver services module, the Commissioner will, in order to modernize and optimize Department processes to best serve Vermonters, need to make additional business decisions that will, upon future implementation, conflict with statute if certain statutes are not amended through the legislative process.(7) Of the modernization projects in which the State is currently engaged, the DMV Core System Modernization Project will likely have the most significant impact on existing statutory language, but it is anticipated that other modernization projects, such as the one that the Department of Labor will undertake related to unemployment insurance, will raise similar tensions between promoting efficiencies as part of modernization and contending with outdated statutory provisions.

(8) A collaborative partnership between the Department and the General Assembly throughout the driver services module, monitored during legislative adjournment by the Joint Transportation Oversight Committee, the Joint Fiscal Committee, and members of the House and Senate Committees on Transportation, provides the best opportunity to save money, promote transparency, streamline the process of amending statute to optimize potential efficiencies for Vermonters, and serve as a model for collaboration between branches of State government in future modernization projects.

(b) Reports.

(1) The Commissioner of Motor Vehicles shall file three written reports on the design and implementation of the driver services module of the DMV Core System Modernization project with the Joint Transportation Oversight Committee, the Joint Fiscal Committee, and the House and Senate Committees on Transportation. The first shall be due on or before July 31, 2024, the second shall be due on or before October 15, 2024, and the third shall be due on or before January 15, 2025.

(2) To the extent practicable, at the time each written report is filed, the Department shall include recommendations on which provisions of statute and rule the Department anticipates will need to be amended or repealed in order to best modernize and optimize Department processes related to the provision of driver services.

(c) General Assembly oversight. To the extent practicable, the Joint Transportation Oversight Committee, the Joint Fiscal Committee, and the House and Senate Committees on Transportation shall promptly express any

concerns to the Department regarding any Department recommendations contained in any written report filed pursuant to subsection (b) of this section.

* * * Excessive Motor Vehicle Noise Report * * *

Sec. 42. EXCESSIVE MOTOR VEHICLE NOISE REPORT

(a) The Commissioner of Motor Vehicles, in consultation with the Commissioner of Public Safety and the Vermont League of Cities and Towns, shall study and report on current and potential enforcement practices around excessive motor vehicle noise and make recommendations on ways to limit excessive motor vehicle noise in Vermont.

(b) The study and report shall, at a minimum, address:

(1) if there should be a noise standard in statute or the Periodic Inspection Manual, or both, and, if so, what that standard should be;

(2) costs to incorporate noise testing into the State motor vehicle inspection required under 23 V.S.A. § 1222 and the State's Periodic Inspection Manual;

(3) costs to train law enforcement officers on noise testing;

(4) possible options to address excessive motor vehicle noise that do not involve noise testing such as visual inspections for modifications to a motor vehicle's exhaust system, whether as part of enforcement of the State motor vehicle inspection, and labeling on one or more components of a motor vehicle's exhaust system; and

(5) approaches to minimize excessive motor vehicle noise that have been taken in other states, including increased enforcement by law enforcement coupled with an objective noise standard defense.

(c) On or before January 1, 2025, the Commissioner of Motor Vehicles shall submit a written report to the House and Senate Committees on Judiciary and on Transportation with the Commissioner's findings and any recommendations for legislative action.

* * * Outreach to Municipalities on Speed Limits * * *

Sec. 43. OUTREACH TO MUNICIPALITIES ON SPEED LIMITS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and regional planning commissions, shall design and implement a program to provide outreach to municipalities on the setting, posting, and enforcement of speed limits on town highways. The outreach materials shall, at a minimum, provide information on applicable State

statutes, applicable portions of the Manual on Uniform Traffic Control Devices, and best practices when it comes to setting and posting speed limits on town highways.

* * * ATV Fees and Penalties * * *

Sec. 44. REPEALS

(a) 2018 Acts and Resolves No. 158, Secs. 29 (July 1, 2023 amendment to 23 V.S.A. § 3513(a)) and 43(c) (effective date) are repealed.

(b) 2022 Acts and Resolves No. 185, Sec. E.702 (July 1, 2023 amendment to 23 V.S.A. § 3513) is repealed.

Sec. 45. 2022 Acts and Resolves No. 185, Sec. H.100(d) is amended to read:

(d) Secs. E.240.1 (7 V.S.A. § 845); E.240.2 (32 V.S.A. § 7909); ~~E.702 (Fish and Wildlife);~~ F.100(b), F.101(b), F.102(b) and F.103 (Executive Branch; Exempt Employees, Misc. Statutory Salaries; Fiscal Year 2024); F.104–106 (Judicial Branch; Statutory Salaries, Fiscal Year 2024); F.107 (Sheriffs, Statutory Salaries, Fiscal Year 2024); F.108 (State's Attorney's; Statutory Salaries; Fiscal Year 2024); and Secs. F.109(a)(2), F.109(b)(3), and F.109(c)(2) (Appropriations; Fiscal Year 2024) shall take effect on July 1, 2023.

Sec. 46. 23 V.S.A. § 3513(a) is amended to read:

(a) The amount of 90 percent of the fees and penalties collected under this chapter, except interest, is allocated to the ~~Agency of Natural Resources~~ Department of Forests, Parks and Recreation for use by the Vermont ATV Sportsman's Association (VASA) for development and maintenance of a Statewide ATV Trail Program, for trail liability insurance, and to contract for law enforcement services with any constable, sheriff's department, municipal police department, the Department of Public Safety, and the Department of Fish and Wildlife for purposes of trail compliance pursuant to this chapter. The Departments of Public Safety and of Fish and Wildlife are authorized to contract with VASA to provide these law enforcement services. The ~~Agency of Natural Resources~~ Department of Forests, Parks and Recreation shall retain for its use up to $7,000.00 during each fiscal year to be used for administration of the State grant that supports this ~~program~~ Program.

* * * Effective Dates * * *

Sec. 47. EFFECTIVE DATES

(a) This section and Secs. 1 (new motor vehicle arbitration; 9 V.S.A. § 4173(d)), 2 (definition of mail; 23 V.S.A. § 4(87)), 14 (validation sticker requirements in rule), 15 (electronic proof of registration; 23 V.S.A. § 307), 16 and 17 (plug-in electric vehicle registration fees; 23 V.S.A. §§ 361 and 362),

20 (current Total Abstinence Program participants), and 23 and 24 (electronic permits; 23 V.S.A. §§ 1392(21) and 1455) shall take effect on passage.

(b) Sec. 19 (Total Abstinence Program; 23 V.S.A. § 1209a) shall take effect on passage and apply to all individuals participating in or in the process of applying to participate in the Total Abstinence Program as of the effective date of this section without regard to when the individual's license was reinstated under the Total Abstinence Program.

(c) Secs. 4–13 (license plate stickers; validation stickers) shall take effect on November 1, 2023.

(d) Secs. 25–28 (title; 23 V.S.A. §§ 2012, 2013, 2017, and 2091(a)) shall take effect upon completion of the vehicle services module of the DMV Core System Modernization project.

(e) Sec. 37 (commercial driver's license clearinghouse; 23 V.S.A. § 4108) shall take effect on November 18, 2024.

(f) All other sections shall take effect on July 1, 2023.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Chittenden, Ingalls, Kitchel, Mazza and Perchlik moved that the Senate concur in the House proposal of amendment with a further amendment as follows, by striking out Secs. 34, reports on amount paid by State for towing abandoned motor vehicles from public property, and 35, towing working group; report, in their entireties and inserting in lieu thereof the following:

Sec. 34. [Deleted.]

Sec. 35. TOWING PRACTICES; REPORT

(a) The Office of the Attorney General shall study motor vehicle towing practices, including practices related to abandonment or suspected abandonment of motor vehicles, such as the use of liens and bonds to ensure the recoupment of costs borne by towing companies; storage practices; and pricing.

(b) In conducting the study, the Office of the Attorney General shall:

(1) consult with the Department of Financial Regulation, the Department of Motor Vehicles, the Department of Public Safety, the Office of Professional Regulation, and the Office of the Vermont State Treasurer; and

(2) solicit input and public comment from interested persons and hold at least one public hearing.

(c) The study shall, at a minimum, address:

(1) pricing of pleasure car and commercial vehicle towing and recovery, including from State and town highways that are restricted based on motor vehicle size;

(2) crash site remediation, including costs borne by towing companies;

(3) storage practices, including:

(A) pricing;

(B) vehicle access for removal of personal belongings; and

(C) vehicle access for removal of cargo;

(4) practices relating to abandonment or suspected abandonment when necessary or appropriate;

(5) best practices from other states, including:

(A) a comprehensive survey of the following from other states, with a focus on states neighboring Vermont:

(i) motor vehicle lien laws;

(ii) laws related to access to towed motor vehicles for purposes of removal of personal belongings and cargo; and

(iii) laws related to pricing, including for towing and recovery, remediation, and storage;

(B) the use of statutory liens when a motor vehicle has been towed at the request of the owner or the motor vehicle has been abandoned, as defined in 23 V.S.A. § 2151(1), in order to secure payment of a towing business's towing and recovery, storage, and remediation charges;

(C) the retention of the motor vehicle and the contents of the motor vehicle until a towing business's towing and recovery, storage, and remediation charges have been paid; and

(D) the use of a surety bond in lieu of the payment of a towing business's towing and recovery, storage, and remediation charges in order to secure the release of a motor vehicle that is being retained until a towing business's towing and recovery, storage, and remediation charges have been paid;

(6) any applicable recommendations for amendments to State statute; and

(7) any other information that the Office of the Attorney General deems pertinent to the study.

(d)(1) The Attorney General shall file a written report on the study, including any recommendations it deems appropriate, with the House Committees on Commerce and Economic Development, on Government Operations and Military Affairs, and on Transportation and the Senate Committees on Economic Development, Housing and General Affairs, on Finance, on Government Operations, and on Transportation on or before December 15, 2023.

(2) The recommendations in the written report shall balance consumer protections and the needs of towing businesses, reflecting the necessary role towing businesses serve in maintaining the health, safety, and welfare of Vermonters.

Which was agreed to.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S.17, S.91, S.99, H.165, H.473, H.492.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the morning on Tuesday, May 9, 2023.

TUESDAY, MAY 9, 2023

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Called Up

H. 227.

Senate bill of the following title was called up by Senator Sears, and, under the rule, placed on the Calendar for action the next legislative day:

An act relating to the Vermont Uniform Power of Attorney Act.

Bill Referred

Pursuant to Temporary Rule 44A, House bill of the following title:

H. 452. An act relating to expanding apprenticeship and other workforce opportunities.

Was referred to the Committee on Economic Development, Housing and General Affairs.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 153.

By Senators Vyhovsky and White,

An act relating to creating municipal and regional civilian oversight of law enforcement.

To the Committee on Government Operations.

S. 154.

By Senators Hardy and Watson,

An act relating to the Vermont State Plane Coordinate System.

To the Committee on Transportation.

Governor's Veto Overridden

Senate Bill entitled:

S. 5. An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization.

Was taken up.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 20, Nays 10. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, *Sears, Vyhovsky, Watson, White.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Mazza, Norris, Starr, Weeks, Westman, Williams, *Wrenner.

*Senator Sears explained his vote as follows:

"I truly believe that climate change is real and that even little Vermont has to play its part. I have given a lot of thought and done a lot of research on S.5 and have come to the conclusion that it truly is a feasibility study and nothing can move forward until the legislature and the Governor have supported it or determined that it would work.

"The hundreds of people that I have heard from, particularly senior citizens, are truly worried and scared. It will be our job to help alleviate those fears.

"Finally, we may see the same results as we did with single payer."

*Senator Wrenner explained her vote as follows:

"S.5 is a plan that was authored by special interests to benefit foreign-owned energy companies who supply Vermonters with fracked gas (extracted with chemicals such as PFAS) and electricity made from burning wood from Vermont forests.

"If this bill were truly about green house gas reduction, biomass, biofuels and fracked gas would not get a pass.

"Instead, those without a seat at the table will pay to enrich those who did have one."

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

Bill Passed in Concurrence with Proposal of Amendment

H. 45.

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

An act relating to abusive litigation filed against survivors of domestic abuse, stalking, or sexual assault.

Proposal of Amendment; Third Reading Ordered

H. 461.

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

An act relating to making miscellaneous changes in education 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:

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

Sec. 1. 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, 2021 Acts and Resolves No. 66, Sec. 15, and 2022 Acts and Resolves No. 185, Sec. E.500.2, is further amended to read:

Sec. E.500.1. SHARED SCHOOL DISTRICT ~~FINANCIAL~~ DATA MANAGEMENT SYSTEM

(a) ~~Not later than December 31, 2024, 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.~~ [Repealed.]

* * *

Sec. 2. 2021 Acts and Resolves No. 66, Sec. 16, as amended by 2022 Acts and Resolves No. 185, Sec. E.500.3, is further amended to read:

Sec. 16. ~~PAUSE~~ SUSPENSION 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 mandatory implementation of the Shared School District Data Management System (SSDDMS) shall be ~~paused until July 1, 2023~~ permanently suspended, provided that~~:~~

~~(1)~~ the Agency of Education and its contractor for implementation of the system shall continue to support existing users and any new adopters, as of the date of enactment of this act, of the system~~; and~~ , within the confines of the existing contract.

(2) ~~a supervisory union, supervisory district, school district, or independent technical center district may implement or leave SSDDMS during the pause period after consultation with the Agency of Education and upon approval by its governing body.~~ [Repealed.]

Sec. 3. REPEAL

2021 Acts and Resolves No. 66, Sec. 17, as amended by 2022 Acts and Resolves No. 185, Sec. E.500.4 (Agency of Education report on the implementation of the Shared School District Data Management System), is repealed.

* * * National Guard Tuition Benefit Program * * *

Sec. 4. 16 V.S.A. § 2857 is amended to read:

§ 2857. VERMONT NATIONAL GUARD TUITION BENEFIT PROGRAM

(a) Program creation. The Vermont National Guard Tuition Benefit Program (Program) is created, under which a member of the Vermont National Guard (member) who meets the eligibility requirements in subsection (c) of this section is entitled to the following tuition benefit for up to full-time attendance:

(1) For courses at any Vermont State College institution or the University of Vermont and State Agricultural College (UVM), the benefit shall be the in-state residence tuition rate for the relevant institution.

(2) For courses at any eligible Vermont private postsecondary institution, the benefit shall be the in-state tuition rate charged by UVM.

(3) For courses at an eligible training institution offering nondegree, certificate training, or continuing education programs, the benefit shall be the lower of the institution's standard tuition or the in-state tuition rate charged by UVM.

(4) For courses at a non-Vermont approved postsecondary education institution approved for federal Title IV funding where the degree program is not available in Vermont, the benefit shall be the in-state tuition rate charged by UVM.

* * *

* * * Home Study Program * * *

Sec. 5. 16 V.S.A. § 166b is amended to read:

§ 166b. HOME STUDY PROGRAM

(a) Enrollment notice. ~~A home study program shall send a written enrollment notice to the Secretary whenever it intends to enroll a child. Enrollments in home study programs shall expire on July 1. If a home study program intends to re-enroll a child for the following school year, a new notice under this section is required and may be submitted at any time after March 1.~~ A parent or legal guardian shall send the Secretary ~~annual~~ notice of intent to enroll the parent's or legal guardian's child in a home study program at least 10 business days prior to commencing home study. Such notice shall be submitted via a form developed by the Agency of Education. A notice under this subsection shall include the following:

(1) The name~~,~~; age~~,~~; and date, month, and year of birth of the child.

(2) The names, mailing addresses, e-mail addresses, town of legal residence, and telephone numbers of ~~the~~ all parents or guardians ~~of the child~~ with legal custody who are legally authorized to make educational decisions for the student.

(3) ~~For each child enrolled during the preceding year, any assessment of progress required under subsection (d) of this section.~~ An attestation that the academic progress of each child enrolled in a home study program will be assessed at the end of each school year and that the parent or guardian will maintain the record of such assessments. Permitted means of assessment shall include:

(A) a standardized assessment, which may be administered by the local school district or a testing service, or administered in a manner approved by the testing company;

(B) a review of the student's progress by an individual who holds a current Vermont teacher's certificate;

(C) a parent or guardian report and portfolio to include a summary of what the student learned during the school year and at least four samples of student work;

(D) grades from an online academy or school; or

(E) evidence of passing of the GED.

(4) For each child not previously enrolled in a Vermont public school or Vermont home study program, independent professional evidence ~~on~~ regarding whether the child has a ~~disability. A comprehensive evaluation to establish eligibilities for special education is not required, but may be ordered by a hearing officer after a hearing under this section~~ documented disability and how the disability may affect the student's educational progress in a home study program.

(5) ~~Subject to the provisions of subsections (k) and (l) of this section, for each child being enrolled for the current year, a detailed outline or narrative that describes the content to be provided in each subject area of the minimum course of study, including any special services or adaptations to be made to accommodate any disability. Methods and materials to be used may be included but are not required.~~ An attestation that each child being enrolled in home study will be provided the equivalent of at least 175 days of instruction in the minimum course of study per year, specifically:

(A) for a child who is younger than 13 years of age, the subject areas listed in section 906 of this title;

(B) for a child who is 13 years of age or older, the subject areas listed in subdivisions 906(b)(1), (2), (4), and (5) of this title; or

(C) for students with documented disabilities, a parent or guardian must attest to providing adaptations to support the student in the home study program.

(6) ~~The names, addresses, telephone numbers, and signatures of the persons who will provide ongoing instruction in each subject area of the minimum course of study, as defined in subsection (i) of this section.~~ [Repealed.]

(7) The signatures of all ~~custodial~~ parents or guardians with legal custody who are legally authorized to make educational decisions for the student. In the alternative, the parent seeking enrollment may provide attestation of sole primary educational decision-making authority.

(b) ~~Notice to home study programs~~ Enrollment. Within ~~14~~ 10 business days ~~of receiving an~~ following submission of a complete enrollment notice, the Secretary or designee shall send the home study program a written acknowledgment of receipt, which shall constitute sufficient enrollment verification for purposes of section 1121 of this title. ~~The acknowledgment shall include a determination:~~

(1) ~~either that the enrollment notice is complete and no further information is needed, or specifically identifying information required under subsection (a) of this section which is missing. If information is missing, the home study program shall provide the additional information in writing within 14 days; and~~ [Repealed.]

(2) ~~either that the child may be enrolled immediately or that the child may be enrolled 45 days after the enrollment notice was received. At any time before the child may be enrolled, the Secretary may order that a hearing be held. After notice of such a hearing is received, the child shall not be enrolled until after an order has been issued by the hearing officer to that effect.~~ [Repealed.]

(c) ~~Enrollment reports~~ Withdrawal. ~~Each home study program shall notify the Secretary within seven days of the day that any student ceases to be enrolled in the program. Within ten days of receiving any enrollment report, the Secretary shall notify the appropriate superintendent of schools~~ The parent or guardian shall notify the Secretary in writing within 10 business days following the date that any student is withdrawn from the student's home study program.

(d) ~~Progress assessment. Each home study program shall assess annually the progress of each of its students. Progress shall be assessed in each subject area of the minimum course of study, as defined in subsection (i) of this section, by one or more of the following methods:~~

~~(1) A report in a form designated by the Secretary, by a teacher licensed in Vermont. In determining the form of the report, the Secretary shall consult with parents who have provided home study programs for their children. Nothing in this section shall be construed to require the Secretary to consult with parents on an individual basis regarding the form of a teacher report.~~

~~(2) A report prepared by the student's parents or instructor, or a teacher advisory service report from a publisher of a commercial curriculum, together with a portfolio of the student's work that includes work samples to demonstrate progress in each subject area in the minimum course of study.~~

~~(3) The complete results of a standardized achievement test approved by the Secretary, administered in a manner approved by the testing company, and scored in accordance with this subdivision. In selecting the list of tests to be approved, the Secretary shall:~~

~~(A) Consult with parents who have provided home study programs for their children. Nothing in this section shall be construed to require the Secretary to consult with parents on an individual basis regarding the test to be administered as a progress assessment for their own home study programs.~~

~~(B) Select at least four tests to be scored by a testing company, and at least four tests to be administered and scored by a teacher licensed in Vermont who is not the parent or legal guardian of the student.~~ [Repealed.]

(e) ~~Hearings before enrollment. If the Secretary has information that creates a significant doubt about whether a home study program can or will provide a minimum course of study for a student who has not yet enrolled, the Secretary may call a hearing. At the hearing, the home study program shall establish that it has complied with this section and will provide the student with a minimum course of study.~~ [Repealed.]

(f) ~~Hearings after enrollment. If the Secretary has information that reasonably could be expected to justify an order of termination under this section, he or she may call a hearing. At the hearing, the Secretary shall establish one or more of the following:~~

~~(1) the home study program has substantially failed to comply with the requirements of this section;~~

~~(2) the home study program has substantially failed to provide a student with the minimum course of study;~~

~~(3) the home study program will not provide a student with the minimum course of study.~~ [Repealed.]

(g) ~~Notice and procedure. Notice of any hearing shall include a brief summary of the material facts and shall be sent to each parent or guardian and each instructor of the student or students involved who are known to the Secretary. The hearing shall occur within 30 days of the day that notice is given or sent. If a notice concerns a child not yet enrolled in a home study program, enrollment shall not occur until an order has been issued after the hearing. The hearing shall be conducted by an impartial hearing officer appointed by the Secretary from a list approved by the State Board. At the request of the child's parent or guardian, the hearing officer shall conduct the hearing at a location in the vicinity of the home study program.~~ [Repealed.]

(h) ~~Order following hearing. After hearing evidence, the hearing officer shall enter an order within ten working days. If the child is not enrolled, the order shall provide that the child be enrolled or that enrollment be disallowed. If the child is enrolled, the order shall provide that enrollment be continued or that the enrollment be terminated. An order shall take effect immediately. Unless the hearing officer provides for a shorter period, an order disallowing or terminating enrollment shall extend until the end of the following school year, as defined in this title. If the order is to disallow or terminate the enrollment, a copy shall be given to the appropriate superintendent of schools, who shall take appropriate action to ensure that the child is enrolled in a school as required by this title. Following a hearing, the Secretary may petition the hearing officer to reopen the case only if there has been a material change in circumstances.~~ [Repealed.]

(i) ~~The minimum course of study required under this section shall be provided every school year, and the educational content provided shall be adapted in each area of study to the age and ability of each child and to any disability of the child. Nothing in this section requires that a home study program follow the program or methods used by the public schools. In this section, "minimum course of study" means:~~

~~(1) For a child who is younger than 13 years of age, the subject areas listed in section 906 of this title.~~

~~(2) For a child who is 13 years of age or older, the subject areas listed in subdivisions 906(b)(1), (2), (4), and (5) of this title, and other subject areas selected by the home study program. The child's progress in the elective areas shall not be subject to the annual progress assessment.~~ [Repealed.]

(j) Waiver. After the filing of the enrollment notice ~~or at a hearing~~, if the home study program is unable to comply with any specific requirements due to deep religious conviction shared by an organized group, the Secretary may waive such requirements if ~~he or she~~ the Secretary determines that the educational purposes of this section are being or will be substantially met.

(k) ~~A Vermont home study program that has successfully completed the last two consecutive school years of home study with any enrolled child, provided those two years fall within the most recent five years, shall not thereafter be required to submit an annual detailed outline or narrative describing the content of the minimum course of study. For the purposes of this subsection, successful completion of a home study program shall mean that, in each of the two consecutive years, the program has not been disallowed by order of a hearing officer, the previously enrolled student made progress commensurate with age and ability in all subject areas of the minimum course of study, and the home study program has otherwise complied with the requirements of this section.~~ Annual notice. A parent or guardian who has provided a complete enrollment notice as described in subsection (a) of this section shall notify the Secretary on or before the start of each following year of the parent's or guardian's intention to continue to provide instruction through a home study program via a form provided by the Agency of Education. This notice shall be provided at least 10 business days prior to the intended start date of the home study program.

(l) ~~A home study program that has successfully completed two consecutive school years of home study as defined in subsection (k) of this section shall not be exempt from any other requirements of this section and shall annually submit a description of special services and adaptations to accommodate any disability of the child consistent with subsection (i) of this section. In addition, the program shall submit a detailed outline or narrative describing the content to be provided in each subject area of the minimum course of study as part of its enrollment notice for each child who is 12 years of age at the time the enrollment notice is submitted.~~ [Repealed.]

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

Sec. 6. 2019 Acts and Resolves No. 1, Sec. 1, as amended by 2021 Acts and Resolves No. 66, Sec. 12 and 2022 Acts and Resolves No. 185, Sec. E.500.6, is further amended to read:

Sec. 1. ETHNIC AND SOCIAL EQUITY STANDARDS ADVISORY WORKING GROUP

* * *

(d) Appointment and operation.

* * *

(D) The Working Group shall cease to exist on ~~July 1, 2023~~ September 1, 2023.

(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 ~~December 31, 2022~~ June 30, 2023, 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:

* * *

(i) Duties of the State Board of Education. The Board of Education shall, on or before ~~December 31, 2022~~ December 31, 2023, 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. 7. ACT 1 TECHNICAL ADVISORY GROUP

(a) Creation. There is created the Act 1 Technical Advisory Group (Advisory Group) to provide ongoing assistance regarding the work of the Ethnic and Social Equity Standards Advisory Working Group (Working Group), created by 2019 Acts and Resolves No. 1, as amended.

(b) Membership. The Technical Advisory Group shall be composed of the following 12 active members of the Working Group as of August 31, 2023, designated or appointed by the following organizations:

(1) the Chairperson of the Working Group, the designee of the Vermont Human Rights Commission;

(2) the Vice Chairperson of the Working Group, the designee of the Vermont-National Education Association;

(3) the designee of the Vermont School Boards Association;

(4) the designee of the Vermont Superintendents Association;

(5) the designee of the Vermont Principals' Association with expertise in the development of school curriculum;

(6) the designee of the Vermont Curriculum Leaders Association;

(7) the Vermont Coalition for Ethnic and Social Equity in Schools appointee member from Outright Vermont;

(8) the Vermont-based, college-level faculty expert in ethnic studies;

(9) the designee of the Vermont Office of Racial Equity;

(10) the student appointee from Montpelier High School;

(11) the designee of the Vermont Independent Schools Association; and

(12) the designee of the Agency of Education.

(c) Powers and duties. The Advisory Group shall provide assistance to the General Assembly, the Agency of Education, and the State Board of Education on the following recommendations made by the Working Group:

(1) proposed revisions and comments to Agency of Education, State Board Rule 2000 Education Quality Standards (CVR 22-000-003);

(2) recommended updates and additional standards for student performance proposed to the State Board of Education pursuant to 2019 Acts and Resolves No. 1, Sec. 1, subdivision (g)(1);

(3) policy recommendations submitted to the General Assembly; and

(4) any other recommendations submitted to the General Assembly or State Board of Education.

(d) Assistance. The Advisory Group shall have the assistance of the Agency of Education for the purposes of scheduling meetings.

(e) Meetings.

(1) The Chair of the Advisory Group shall be the Chair of the Working Group as of August 31, 2023. If a member resigns before the Advisory Group ceases to exist, the organization impacted by the resignation shall have the authority to appoint a replacement member in consultation with the Advisory Group. The Advisory Group shall meet as needed.

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

(3) The Advisory Group shall cease to exist on January 31, 2024.

* * * Driver Education * * *

Sec. 8. REGIONAL STUDENT DRIVER EDUCATION CLINICS; PILOT PROJECT; REPORT; APPROPRIATION

(a) Pilot program. On or before December 15, 2023, the Agency of Education and the Department of Motor Vehicles, in partnership with interested school districts, shall establish a regional pilot student driver clinic

program to provide the required minimum 6 hours of behind-the-wheel instruction by a certified driver education instructor as required by State Board of Education rule.

(1) The Agency and Department shall appoint one or more certified driver education instructors who shall assist in the development of the pilot program.

(2) The pilot program shall be designed to be implemented on a regional level, with an adequate number of programs provided to meet the reasonably anticipated needs of all public and approved independent schools participating in the pilot program. The Agency and Department shall partner with participating school districts to define regions.

(3) The pilot program shall meet all legal requirements of student driver education and training programs.

(4) The Agency and Department shall adopt policies, procedures, and guidelines necessary to implement the pilot program.

(b) Implementation. Regional pilot programs developed in accordance with the pilot program created under subsection (a) of this section shall begin offering student driver clinics on or before July 15, 2024.

(c) Reports.

(1) On or before December 15, 2023, the Agency of Education shall submit a written report to the House and Senate Committees on Education with information on the progress made in developing the pilot program created under this section and the implantation plan for pilot clinics to take place in the summer of 2024. The report shall also include an update on the certification process for driver education teachers and the steps the Agency has taken to address the workforce shortage in driver education. In reporting on the workforce shortage, the Agency shall include any recommendations for legislative action.

(2) On or before January 15, 2025, the Agency of Education shall submit a written report to the House and Senate Committees on Education with the results of the pilot program created under this section. The report shall include data relating to the number of participating school districts and participating students and the use of appropriated funds, and any recommendations for program expansion. If the recommendation is to expand the pilot program beyond the initial participating school districts, the report shall include any modifications and resources necessary for the expansion, as well as a timeline for such changes.

(d) Appropriation. Notwithstanding 16 V.S.A. § 4025(d), the sum of $200,000.00 is appropriated from the Education Fund to the Agency of Education in fiscal year 2024 for the purpose of developing a regional pilot student driver clinic program. Prior to using the funds appropriated under this subsection, the Agency shall consult with the Vermont State Highway Safety Office on whether the student driver clinic program created pursuant to this section is eligible for federal highway safety grant funds.

* * *Union School District Board Member Nominating Petitions * * *

Sec. 9. 16 V.S.A. § 711 is amended to read:

§ 711. VOTE TO ELECT INITIAL MEMBERS OF THE UNION SCHOOL DISTRICT BOARD

* * *

(d) Proposed unified union school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of a proposed unified union school district, as follows:

* * *

(3) At-large representation. When representation on the board of a proposed unified union school district is not apportioned or allocated to the potential towns within the proposed district pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection and the board member is elected at-large:

(A) The voters of one or more school districts identified as "necessary" to formation of the proposed unified union school district shall file a petition nominating a candidate for the office of unified union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in one or more school districts identified as "necessary" to the formation of the proposed unified union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed unified union school district, whichever is less;

* * *

(e) Proposed union elementary or union high school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each

school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of the proposed union school district, as follows:

* * *

(3) At-large representation. When representation on the board of a proposed union elementary or union high school district board is not apportioned or allocated to the potential member districts pursuant to subdivision (1) (proportional to town population) or (2) (modified at large) of this subsection and the board member is elected at-large:

(A) The voters of one or more school districts identified as "necessary" to the formation of the proposed union school district shall file a petition nominating a candidate for the office of union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in one or more school districts identified as "necessary" to the formation of the proposed union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed union school district, whichever is less;

* * *

Sec. 10. 16 V.S.A. § 730 is amended to read:

§ 730. UNIFIED UNION SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection ~~(a)~~ shall apply to a unified union school district that conducts elections for board membership by Australian ballot.

* * *

(2) Modified at-large model: allocation to town; at-large representation.

(A) When membership on the board of a unified union school district is allocated to each town within the district, but the allocation is not closely proportional to the town's relative population and the board member is elected at-large, the voters residing in any one or more of the towns within the district may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

* * *

(3) At-large representation.

(A) When membership on a unified union school district board is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) and the board member is elected at large, the voters residing in any one or more of the towns within the district may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

* * *

Sec. 11. 16 V.S.A. § 748 is amended to read:

§ 748. UNION ELEMENTARY AND UNION HIGH SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection ~~(a)~~ shall apply to a union elementary or union high school district that conducts elections for board membership by Australian ballot.

* * *

(2) Modified at-large model: allocation to town; at-large representation.

(A) When membership on the board of a union elementary or union high school district is allocated to each member district, but the allocation is not closely proportional to the member district's population and the board member is elected at-large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

(3) At-large representation.

(A) When membership on the board of a union elementary or union high school district is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) (Australian ballot) and the board member is elected at large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

* * *

(iii) the petition is signed by at least ~~60~~ 30 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

* * * Effective Dates * * *

Sec. 12. EFFECTIVE DATES

(a) Secs. 6 (Ethnic and Social Equity Standards Advisory Working Group) and this section shall take effect on passage.

(b) Sec. 7 (Act 1 Technical Advisory Group) shall take effect on September 1, 2023.

(c) All other sections shall take effect on July 1, 2023.

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

Senator Perchlik, 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.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Education?, Senator Cummings moved to amend the proposal of amendment of the Committee on Education, by striking out Sec. 8, regional student driver education clinics; pilot project; report; appropriation, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 8. [Deleted.]

Which was agreed to.

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

Proposals of Amendment; Third Reading Ordered

H. 476.

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

An act relating to miscellaneous changes to law enforcement officer training 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:

* * * Domestic Violence Involving Law Enforcement Model Policy * * *

Sec. 1. 20 V.S.A. § 2365 is amended to read:

§ 2365. DOMESTIC VIOLENCE TRAINING; DOMESTIC VIOLENCE INVOLVING LAW ENFORCEMENT MODEL POLICY

* * *

(d)(1) On or before July 1, 2024, every State, county, and municipal law enforcement agency shall adopt the Domestic Violence Involving Law Enforcement Model Policy issued by the Vermont Law Enforcement Advisory Board.

(2) On or before July 1, 2024, every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and is certified pursuant to section 2358 of this title shall adopt the Domestic Violence Involving Law Enforcement Model Policy issued by the Vermont Law Enforcement Advisory Board.

(3) Agencies and constables referenced in subdivisions (1) and (2) of this subsection shall adopt any updated Domestic Violence Involving Law Enforcement Model Policy issued by Vermont Law Enforcement Advisory Board within six months following the issuance.

Sec. 2. DOMESTIC VIOLENCE INVOLVING LAW ENFORCEMENT MODEL POLICY REVISION

(a) On or before January 1, 2024, the Vermont Law Enforcement Advisory Board, after receiving input from interested stakeholders, shall issue an updated Domestic Violence Involving Law Enforcement Model Policy.

(b) The updated Domestic Violence Involving Law Enforcement Model Policy shall:

(1) address domestic violence survivors' needs and leverage best practices in awareness, prevention, and investigation of domestic violence;

(2) identify existing support offered to any law enforcement agency employee or officer who is the victim of or the person who committed domestic violence;

(3) identify new means of supporting law enforcement agency employees or officers who are the victims of or the persons who committed domestic violence;

(4) develop processes to protect the privacy of agency employees and officers who are the victims of domestic violence and to maintain the confidentiality of any information shared by these individuals; and

(5) amend or replace language found in 2010 Domestic Violence Involving Law Enforcement Model Policy, section 3.8 (Member Responsibilities), subdivision (4) to require a law enforcement agency employee or officer subject to a final relief from abuse order pursuant to 15 V.S.A. § 1103 to immediately surrender all service weapons.

* * * Officer Misconduct and Transparency of Information * * *

Sec. 3. 20 V.S.A. § 2401 is amended to read:

§ 2401. DEFINITIONS

As used in this subchapter:

* * *

(2) "Category B conduct" means gross professional misconduct amounting to actions on duty or under authority of the State, or both, that involve willful failure to comply with a State-required policy, or substantial deviation from professional conduct as defined by the law enforcement agency's policy or if not defined by the agency's policy, then as defined by Council policy, and shall include:

* * *

(H) while on duty or off duty, attempting to cause or causing physical harm to a family or household member, or placing a family or household member in fear of imminent serious physical harm; or

(I) while on duty or off duty, a violation of the Domestic Violence Involving Law Enforcement Model Policy adopted pursuant to section 2365 of this title.

* * *

Sec. 4. 20 V.S.A. § 2407 is amended to read:

§ 2407. LIMITATION ON COUNCIL SANCTIONS ~~FIRST OFFENSE OF CATEGORY B CONDUCT~~

(a) ~~Category B conduct; first offense. If a law enforcement agency conducts a valid investigation of a complaint alleging that a law enforcement officer committed a first offense of Category B conduct, the Council shall take no action, except that the Council may take action for a first offense under subdivision 2401(2)(C) (excessive use of force under authority of the State), 2401(2)(F) (placing a person in a chokehold), or 2401(2)(G) (failing to intervene and report to a supervisor when an officer observes another officer placing a person in a chokehold or using excessive force) of this chapter.~~

Council sanctions; first offense of Category A and certain Category B conduct. After a valid investigation of Category A and Category B conduct made pursuant to section 2404 of this title concludes, the Council may impose a sanction for a first offense of:

(1) Category A conduct as defined in subsection 2401(1) of this title; or

(2) the following instances of Category B conduct as defined in subsection 2401(2) of this title:

(A) sexual harassment involving physical contact pursuant to subdivision 2401(2)(A) of this title;

(B) excessive use of force under authority of the State pursuant to subdivision 2401(2)(C) of this title;

(C) placing a person in a chokehold pursuant to subdivision 2401(2)(F) of this title;

(D) failing to intervene and report to a supervisor when an officer observes another officer placing a person in a chokehold or using excessive force pursuant to subdivision 2401(2)(G) of this title;

(E) attempting to cause or causing physical harm to a family or household member, or placing a family or household member in fear of imminent serious physical harm pursuant to subdivision 2401(2)(H) of this title; or

(F) a violation of the Domestic Violence Involving Law Enforcement Model Policy adopted pursuant to section 2365 of this title pursuant to subdivision 2401(2)(I) of this title.

(b) Council action; second or subsequent offense of certain other Category B conduct. After a valid investigation of Category B conduct made pursuant to section 2404 of this title concludes, the Council may impose a sanction for

an offense of Category B conduct not specified in subdivision (a)(2) of this section only for the second or subsequent offense.

(c) "Offense" defined. As used in this section, an "offense" means any offense committed by a law enforcement officer during the course of ~~his or her~~ the law enforcement officer's certification, and includes any offenses committed during employment at a current or previous law enforcement agency.

Sec. 4a. VERMONT CRIMINAL JUSTICE COUNCIL AUTHORITY; REPORT

On or before December 15, 2023, the Vermont Criminal Justice Council, in consultation with the Department of Human Resources, the Office of Professional Regulation, and a nationally recognized organization that is a subject matter expert in the field of law enforcement professional regulation, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations on the following:

(1) whether the current statutes pertaining to unprofessional conduct in 20 V.S.A. §§ 2401–2411 should be amended to apply to all off-duty conduct of law enforcement officers;

(2) whether the current statutes pertaining to unprofessional conduct in 20 V.S.A. §§ 2401–2411 should be amended to adjust the scope of Category B conduct that the Vermont Criminal Justice Council may take action on for a first offense; and

(3) any other recommendations as deemed appropriate by the Vermont Criminal Justice Council.

Sec. 5. 20 V.S.A. § 2409 is amended to read:

§ 2409. ACCESSIBILITY AND CONFIDENTIALITY

* * *

(g)(1) The Council shall collect aggregate data on the number of:

(A) complaints received that involve domestic or sexual violence; and

(B) the number of complaints for Category A and B conduct involving domestic or sexual violence that resulted in the filing of charges or stipulations or the taking of disciplinary action.

(2) The Council shall provide a report of the aggregate data collected pursuant to subdivision (1) of this subsection to the House Committees on Judiciary and on Government Operations and Military Affairs and the Senate Committees on Judiciary and on Government Operations annually on or before January 15.

* * * Vermont Criminal Justice Council Domestic Violence Training Position Funding * * *

Sec. 5a. 20 V.S.A. § 2365 is amended to read:

§ 2365. DOMESTIC VIOLENCE TRAINING

* * *

(c) The Vermont Police Academy shall employ a domestic violence trainer for the sole purpose of training Vermont law enforcement and related practitioners on issues related to domestic violence. ~~Funding for this position shall be transferred by the Center for Crime Victim Services from the Domestic and Sexual Violence Special Fund created by 13 V.S.A. § 5360.~~

Sec. 5b. 13 V.S.A. § 5360 is amended to read:

§ 5360. DOMESTIC AND SEXUAL VIOLENCE SPECIAL FUND

A Domestic and Sexual Violence Special Fund is established, to be managed in accordance with 32 V.S.A. chapter 7, subchapter 5 and administered by the Center for Crime Victim Services created in section 5361 of this title. The revenues of the Fund shall consist of that portion of the additional surcharge on penalties and fines imposed by section 7282 of this title deposited in the Domestic and Sexual Violence Special Fund and that portion of the town clerks' fee for issuing and recording civil marriage or civil union licenses in 32 V.S.A. § 1712(1) deposited in the Domestic and Sexual Violence Special Fund. The Fund may be expended by the Center for Crime Victim Services for budgeted grants to the Vermont Network against Domestic and Sexual Violence ~~and for the Criminal Justice Training Council position dedicated to domestic violence training, pursuant to 20 V.S.A. § 2365(c)~~.

* * * Effective Date * * *

Sec. 6. EFFECTIVE DATE

This act shall take effect on passage.

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 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.

Bills Passed in Concurrence with Proposals of Amendment

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

H. 157. An act relating to the Vermont basic needs budget.

H. 291. An act relating to the creation of the Cybersecurity Advisory Council.

Bill Passed in Concurrence

H. 386.

House bill of the following title:

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

Was read the third time and passed in concurrence, on a roll call, Yeas 18, Nays 10.

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: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Mazza, Norris, Sears, Starr, Westman, Williams.

Those Senators absent and not voting were: Weeks, Wrenner.

Bill Passed in Concurrence with Proposal of Amendment

H. 470.

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

An act relating to miscellaneous amendments to alcoholic beverage laws.

Third Reading Ordered

H. 282.

Senator Hardy, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to the Psychology Interjurisdictional Compact.

Reported that the bill ought to pass in concurrence.

Senator Cummings, for the Committee on Finance, to which was referred the bill, reported that the bill out to pass in concurrence.

Senator Perchlik, for the Committee on Appropriations, to which was referred the bill, 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. 31.

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to aquatic nuisance control.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, Aquatic Nuisance Control Study Committee; report, in subdivision (f)(1), by striking out "July 31, 2023" where it appears and inserting in lieu thereof September 1, 2023

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

Senator Lyons, 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 Natural Resources and Energy with the following amendments thereto:

First: In Sec. 1, Aquatic Nuisance Control Study Committee; report, by striking out subsection (b) in its entirety and inserting in lieu thereof the following:

(b) Membership. The Aquatic Nuisance Control Study Committee shall be composed of the following members:

(1) one current member of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) one current member of the Senate, who shall be appointed by the Committee on Committees;

(3) the Commissioner of Health or designee;

(4) a scientist from the Department of Fish and Wildlife, appointed by the Commissioner of Fish and Wildlife;

(5) a scientist from the Department of Environmental Conservation, appointed by the Commissioner of Environmental Conservation; and

(6) two scientists or researchers from the University of Vermont, appointed by the President of the University of Vermont, one with expertise in the potential human health impacts related to the invasives and control eradication and one with expertise in aquatic biology, including flora, fauna, and ecosystem health.

Second: In Sec. 1, Aquatic Nuisance Control Study Committee; report, by striking out subsection (g) in its entirety and inserting in lieu thereof the following:

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Aquatic Nuisance Control Study Committee serving in the member's 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 eight meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Study Committee shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings. These payments shall be made from monies appropriated to the General Assembly.

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 Natural Resources and Energy was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Natural Resources and Energy, as amended, was agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 62.

Senator Gulick, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to the interstate Counseling Compact.

Reported recommending that the Senate propose to the House to amend the bill in Sec. 1, 26 V.S.A. chapter, subchapter 2, by inserting a section 3275 before section 3275a to read as follows:

§ 3275. COUNSELING COMPACT; ADOPTION

This subchapter is the Vermont adoption of the Counseling Compact. The form, format, and text of the Compact have been conformed to the conventions of the Vermont Statutes Annotated. It is the intent of the General Assembly that this subchapter be interpreted as substantively the same as the Counseling Compact that is enacted by other Compact party states.

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

Senator Cummings, 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 Health and Welfare.

Senator Perchlik, 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 Health and Welfare.

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.

The President *pro tempore* Assumes the Chair

Proposal of Amendment; Third Reading Ordered

H. 67.

Senator Watson, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to household products containing hazardous substances.

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) Thousands of household products sold in the State contain substances designated as hazardous under State or federal law.

(2) Vermont's hazardous waste rules establish specific requirements for the management of hazardous waste, including a prohibition on disposal in landfills.

(3) Leftover household products, known as household hazardous waste (HHW), are regulated through a requirement that municipal solid waste management entities (SWMEs) include provisions in solid waste implementation plans for the management and diversion of unregulated hazardous waste. The State solid waste management plan also requires the SWMEs to each hold a minimum of two HHW collection events every year.

(4) Many SWMEs already offer more than two HHW collection events, and seven of the SWMEs have established permanent facilities for the regular collection of HHW.

(5) HHW collection events and permanent facilities are expensive to operate, and SWMEs spend approximately $2.2 million a year to manage HHW, costs that are subsequently passed on to the residents of Vermont through taxes, fees, or disposal charges.

(6) As a result of the failure to divert HHW, it is estimated that 855 tons or more per year of HHW are being disposed of in landfills.

(7) There is general agreement among the SWMEs and the Agency of Natural Resources that additional collection sites and educational and informational activities are necessary to capture more of the HHW being disposed of in landfills.

(8) Funding constraints are a current barrier to new collection sites and educational and informational activities.

(9) HHW released into the environment can contaminate air, groundwater, and surface waters, thereby posing a significant threat to the environment and public health.

(10) To improve diversion of HHW from landfills, reduce the financial burden on SWMEs and taxpayers, reduce the cost of the overall system of

managing HHW, and lessen the environmental and public health risk posed by improperly disposed of HHW, the State shall implement a program to require the manufacturers of household products containing a hazardous substance to implement a stewardship organization to collect household products containing a hazardous substance free of charge to the public.

Sec. 2. 10 V.S.A. chapter 164B is added to read:

CHAPTER 164B. COLLECTION AND MANAGEMENT OF HOUSEHOLD HAZARDOUS PRODUCTS

§ 7181. DEFINITIONS

As used in this chapter:

(1) "Agency" means the Agency of Natural Resources.

(2) "Consumer product" means any product that is regularly used or purchased to be used for personal, family, or household purposes.

(3) "Covered entity" means any person who presents to a collection facility or event that is included in an approved collection plan any number of covered household hazardous products, with the exception of large quantity generators or small quantity generators as those terms are defined in the Agency of Natural Resources' Vermont Hazardous Waste Regulations.

(4)(A) "Covered household hazardous product" means a consumer product offered for retail sale that is contained in the receptacle in which the product is offered for retail sale, if the product has any of the following characteristics:

(i) the product or a component of the product is a hazardous waste under subchapter 2 of the Vermont Hazardous Waste Management Regulations, regardless of the status of the generator of the hazardous waste; or

(ii) the product is a gas cylinder.

(B) "Covered household hazardous product" does not mean any of the following:

(i) a primary or rechargeable battery;

(ii) a lamp that contains mercury;

(iii) a thermostat that contains mercury;

(iv) architectural paint as that term is defined in section 6672 of this title;

(v) a covered electronic device as that term is defined in section 7551 of this title;

(vi) a pharmaceutical drug;

(vii) citronella candles;

(viii) flea and tick collars;

(ix) pesticides required to be registered with the Agency of Agriculture, Food and Markets;

(x) products that are intended to be rubbed, poured, sprinkled on, sprayed on, introduced into, or otherwise applied to the human body or any part of a human for cleansing, moisturizing, sun protection, beautifying, promoting attractiveness, or altering appearance, unless designated as a hazardous material or a hazardous waste by the Secretary of Natural Resources; or

(xi) gas cylinders determined by the Secretary by rule not to pose an unacceptable risk to human health, solid waste facility operation, or the environment, and which are not hazardous waste.

(5)(A) "Gas cylinder" means:

(i) any nonrefillable cylinder and its contents supplied to a consumer for personal, family, or household use and shall include those containing flammable pressurized gas, spray foam insulating products, single-use and rechargeable handheld fire extinguishers, helium, or carbon dioxide, of any size not exceeding any cylinder with a water capacity of 50 pounds, including seamless cylinders and tubes, welded cylinders, and insulated cylinders intended to contain helium, carbon dioxide, or flammable materials such as propane, butane, or other flammable compressed gasses; or

(ii) refillable cylinders containing propane for personal, family, or household use not exceeding a water capacity of one pound.

(B) "Gas cylinder" does not include any medical or industrial-grade cylinder.

(6)(A) "Manufacturer" means a person who:

(i) manufactures or manufactured a covered household hazardous product under its own brand or label for sale in the State;

(ii) sells in the State under its own brand or label a covered household hazardous product produced by another supplier;

(iii) owns a brand that it licenses or licensed to another person for use on a covered household hazardous product sold in the State;

(iv) imports into the United States for sale in the State a covered household hazardous product manufactured by a person without a presence in the United States;

(v) manufactures a covered household hazardous product for sale in the State without affixing a brand name; or

(vi) assumes the responsibilities, obligations, and liabilities of a manufacturer as defined under subdivisions (i) through (v) of this subdivision (6)(A), provided that the Secretary may enforce the requirements of this chapter against a manufacturer defined under subdivisions (i) through (v) of this subdivision (6)(A) if a person who assumes the manufacturer's responsibilities fails to comply with the requirements of this chapter.

(B) "Manufacturer" does not mean a person set forth under subdivisions (A)(i)–(vi) of this subdivision (6) if the person manufacturers, sells, licenses, or imports less than $5,000.00 of covered household hazardous products in the United States in a program year and is registered with the Secretary.

(7) "Orphan covered product" means a covered household hazardous product for which no manufacturer is participating in a stewardship organization pursuant to section 7182 of this title.

(8) "Program year" means the period from January 1 through December 31.

(9) "Retailer" means a person who sells a covered household hazardous product in the State through any means, including a sales outlet, a catalogue, the telephone, the Internet, or any electronic means.

(10) "Secretary" means the Secretary of Natural Resources.

(11) "Sell" or "sale" means any transfer for consideration of title or of the right to use by lease or sales contract a covered household hazardous product to a person in the State of Vermont. "Sell" or "sale" does not include the sale, resale, lease, or transfer of a used covered household hazardous product or a manufacturer's wholesale transaction with a distributor or a retailer.

(12) "Stewardship organization" means a legal entity such as an organization, association, or entity that has developed a system, method, or other mechanism that assumes the responsibilities, obligations, and liabilities under this chapter of multiple manufacturers of covered household hazardous products and that is:

(A) exempt from taxation under 26 U.S.C. §501(c)(3) of the Internal Revenue Code; and

(B) created by a group of producers to implement a collection plan in accordance with section 7183 of this title.

§ 7182. SALE OF COVERED HOUSEHOLD HAZARDOUS PRODUCTS; STEWARDSHIP ORGANIZATION REGISTRATION

(a) Sale prohibited. Beginning six months after a final decision on the adequacy of a collection plan by the Secretary, a manufacturer of a covered household hazardous product shall not sell, offer for sale, or deliver to a retailer for subsequent sale a covered household hazardous product unless all the following have been met:

(1) The manufacturer is participating in a stewardship organization implementing an approved collection plan.

(2) The name of the manufacturer, the manufacturer's brand, and the name of the covered household hazardous product are submitted to the Agency of Natural Resources by a stewardship organization and listed on the stewardship organization's website as covered by an approved collection plan.

(3) The stewardship organization in which the manufacturer participates has submitted an annual report consistent with the requirements of section 7185 of this title.

(4) The stewardship organization in which the manufacturer participates has conducted a plan audit consistent with the requirements of subsection 7185(b) of this title.

(b) Stewardship organization registration requirements.

(1) On or before January 1, 2025 and annually thereafter, a stewardship organization shall file a registration form with the Secretary. The Secretary shall provide the registration form to the stewardship organization. The registration form shall include:

(A) a list of the manufacturers participating in the stewardship organization;

(B) a list of the brands of each manufacturer participating in the stewardship organization;

(C) a list of the covered household hazardous products of each manufacturer participating in the stewardship organization;

(D) the name, address, and contact information of a person responsible for ensuring compliance with this chapter;

(E) a description of how the stewardship organization meets the requirements of subsection 7184(b) of this title, including any reasonable requirements for participation in the stewardship organization; and

(F) the name, address, and contact information of a person for a nonmember manufacturer to contact regarding how to participate in the stewardship organization to satisfy the requirements of this chapter.

(2) A renewal of a registration without changes may be accomplished through notifying the Agency of Natural Resources on a form provided by the Agency.

§ 7183. COLLECTION PLANS

(a) Collection plan required. Prior to July 1, 2025, any stewardship organization registered with the Secretary as representing manufacturers of covered household hazardous products shall coordinate and submit to the Secretary for review one collection plan for all manufacturers.

(b) Collection plan; minimum requirements. Each collection plan shall include, at a minimum, all of the following requirements:

(1) List of participants. A list of the manufacturers, brands, and products participating in the collection plan and a methodology for adding and removing manufacturers and notifying the Agency of new participants.

(2) Free statewide collection of covered household hazardous products. The collection program shall provide for free, convenient, and accessible statewide opportunities for the collection from covered entities of covered household hazardous products, including orphan covered products. A stewardship organization shall accept all covered household hazardous products collected from a covered entity and shall not refuse the collection of a covered household hazardous product, including orphan covered household products, based on the brand or manufacturer of the covered household hazardous product unless specifically exempt from this requirement. The collection program shall also provide for the payment of collection, processing, and end-of-life management of the covered household hazardous products. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service fees, insurance fees, and shipping containers and materials.

(3) Convenient collection location. The stewardship organization shall develop a collection program that allows all municipal household hazardous

waste collection programs to opt to be a part of the collection plan, including collection events and facilities offered by solid waste planning entities. The plan shall make efforts to site points of collection equitably across all regions of the State to allow for convenient and reasonable access of all Vermonters to collection facilities or collection events.

(4) Public education and outreach. The collection plan shall include an education and outreach program that shall include a website and may include media advertising, retail displays, articles and publications, and other public educational efforts. Outreach and education shall be suitable for the State's diverse ethnic populations, through translated and culturally appropriate materials, including in-language and targeted outreach. Public education and outreach should include content to increase meaningful participation by environmental justice focus populations as required by 3 V.S.A. chapter 72. During the first year of program implementation and two years after adoption of the collection plan, each stewardship organization shall carry out a survey of public awareness regarding the requirements of the program established under this chapter that can identify communities that have disparities in awareness and need more outreach. Each stewardship organization shall share the results of the public awareness surveys with the Secretary. If multiple stewardship organizations are implementing plans approved by the Secretary, the stewardship organizations shall coordinate in carrying out their education and outreach responsibilities under this subdivision and shall include in their annual reports to the Secretary a summary of their coordinated education and outreach efforts. The education and outreach program and website shall notify the public of the following:

(A) that there is a free collection program for covered household hazardous products;

(B) the location and hours of operation of collection points and how a covered entity can access this collection program;

(C) the special handling considerations associated with covered household hazardous products; and

(D) source reduction information for consumers to reduce leftover covered household products.

(5) Compliance with appropriate environmental standards. In implementing a collection plan, a stewardship organization shall comply with all applicable laws related to the collection, transportation, and disposal of hazardous waste. A stewardship organization shall comply with any special handling or disposal standards established by the Secretary for covered

household hazardous products or for the collection plan of the manufacturer.

(6) Method of disposition. The collection plan shall describe how covered household hazardous products will be managed in the most environmentally and economically sound manner, including following the waste-management hierarchy. The management of covered household hazardous products under the collection plan shall use management activities in the following priority order: source reduction, reuse, recycling, energy recovery, and disposal. Collected covered household hazardous products shall be recycled when technically and economically feasible.

(7) Performance goals. A collection plan shall include:

(A) A performance goal for covered household hazardous products determined by the number of total participants at collection events and facilities listed in the collection plan during a program year divided by the total number of households. The number of households shall include seasonal households. The calculation methodology for the number of households shall be included in the plan.

(B) At a minimum, the collection performance goal for the first approved plan shall be an annual participation rate of five percent of the households for every collection program based on the number of households the collection program serves. After the initial approved program plan, the stewardship organization shall propose performance goals for subsequent program plans. The Secretary shall approve the performance goals for the plan at least every five years. The stewardship organization shall use the results of the most recent waste composition study required under 6604 of this title and other relevant factors to propose the performance goals of the collection plan. If a stewardship organization does not meet its performance goals, the Secretary may require the stewardship organization to revise the collection plan to provide for one or more of the following: additional public education and outreach, additional collection events, or additional hours of operation for collection sites. A stewardship organization is not authorized to reduce or cease collection, education and outreach, or other activities implemented under an approved plan on the basis of achievement of program performance goals.

(8) Collection plan funding. The collection plan shall describe how the stewardship organization will fund the implementation of the collection plan and collection activities under the plan, including the costs for education and outreach, collection, processing, and end-of-life management of the covered household hazardous product. Collection costs include facility costs, equipment costs, labor, supplies, maintenance, events costs, and event contractor costs, including collection event set-up fees, environmental service

fees, insurance fees, and shipping containers and materials. The collection plan shall include how municipalities will be compensated for all costs attributed to collection of covered household hazardous products. The Secretary shall resolve disputes relating to compensation.

(c) Term of collection plan. A collection plan approved by the Secretary under section 7187 of this title shall have a term not to exceed five years, provided that the stewardship organization remains in compliance with the requirements of this chapter and the terms of the approved collection plan.

(d) Collection plan implementation. Stewardship organizations shall implement the collection plan on or before six months after the date of a final decision by the Secretary on the adequacy of the collection plan.

§ 7184. STEWARDSHIP ORGANIZATIONS

(a) Participation in a stewardship organization. A manufacturer shall meet the requirements of this chapter by participating in a stewardship organization that undertakes the responsibilities under sections 7182, 7183, and 7185 of this title.

(b) Qualifications for a stewardship organization. To qualify as a stewardship organization under this chapter, an organization shall:

(1) commit to assume the responsibilities, obligations, and liabilities of all manufacturers participating in the stewardship organization;

(2) not create unreasonable barriers for participation in the stewardship organization; and

(3) maintain a public website that lists all manufacturers and manufacturers' brands and products covered by the stewardship organization's approved collection plan.

§ 7185. ANNUAL REPORT; COLLECTION PLAN AUDIT

(a) Annual report. Not later than 18 months after the date a collection plan has been implemented, and annually thereafter, a stewardship organization of manufacturers of covered household hazardous products shall submit a report to the Secretary that contains all of the following:

(1) A description of the collection program.

(2) The volume or weight by hazard category, as defined by the Secretary, of covered household hazardous products collected, the volume or weight of covered household hazardous products collected at each collection facility or collection event, the disposition of the collected covered household hazardous products, and the number of covered entities participating at each

collection facility or collection event from which the covered household hazardous products were collected.

(3) The name and address of all the recycling and disposal facilities where the covered household hazardous products are collected and delivered and deposited.

(4) The weight or volume by hazard category of covered household hazardous products sold in the State in the previous calendar year by a manufacturer participating in a stewardship organization's collection plan. Sales data provided under this section shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential. Confidential information shall be redacted from any final public report. If manufacturers can demonstrate that they do not have Vermont specific data, the stewardship organization may use national data prorated to Vermont based upon Vermont's population.

(5) A comparison of the collection plan's performance goals, including participation rate, compared to the actual performance and how the program will be improved if the performance goals are not met.

(6) A description of the methods used to reduce, reuse, collect, transport, recycle, and process the covered household hazardous products.

(7) The cost of implementing the collection plan, including the costs of administration, collection, transportation, recycling, disposal, and education and outreach.

(8) A description and evaluation of the success of the education and outreach materials. If multiple stewardship organizations are implementing the collection plan approved by the Secretary, the stewardship organizations shall include a summary of their coordinated education and outreach efforts.

(9) Recommendations for any changes to the program.

(b) Collection plan audit. On or before September 1, 2030 and every five years thereafter, a stewardship organization of manufacturers of covered household hazardous products shall hire an independent third party to audit the collection plan and the plan's operation. The auditor shall examine the effectiveness of the program in collecting and disposing of covered household hazardous products. The auditor shall examine the cost-effectiveness of the program and compare it to that of collection programs for covered household hazardous products in other jurisdictions. The auditor shall examine the effectiveness of the plan in satisfying the requirement of this chapter that all Vermonters have convenient and reasonable access to collection facilities or collection events. The auditor shall make recommendations to the Secretary on ways to increase the program's efficacy and cost-effectiveness.

(c) Public posting. A stewardship organization shall post a report or audit required under this section to the website of the stewardship organization.

§ 7186. ANTITRUST; CONDUCT AUTHORIZED

(a) Activity authorized. A manufacturer, group of manufacturers, or stewardship organization implementing or participating in an approved collection plan under this chapter for the collection, transport, processing, and end-of-life management of covered household hazardous products is individually or jointly immune from liability for conduct under State laws relating to antitrust, restraint of trade, unfair trade practices, and other regulation of trade or commerce under 9 V.S.A. chapter 63, subchapter 1 to the extent that the conduct is reasonably necessary to plan, implement, and comply with the stewardship organization's chosen system for managing discarded covered household hazardous products.

(b) Limitations on antitrust activity. Subsection (a) of this section shall not apply to an agreement among producers, groups of manufacturers, retailers, wholesalers, or stewardship organizations affecting the price of covered household hazardous products or any agreement restricting the geographic area in which or customers to whom covered household hazardous products shall be sold.

§ 7187. AGENCY RESPONSIBILITIES

(a) Review and approve collection plans. The Secretary shall review and approve or deny collection plans submitted under section 7183 of this title according to the public notice and comment requirements of section 7714 of this title.

(b) Criteria for plan approval.

(1) The Secretary shall approve a collection plan if the Secretary finds that the collection plan:

(A) complies with the requirements of subsection 7183(b) of this title;

(B) provides adequate notice to the public of the collection opportunities available for covered household hazardous products;

(C) ensures that collection of covered household hazardous products will occur in an environmentally sound fashion that is consistent with the law or with any special handling requirements adopted by the Secretary;

(D) promotes the collection and disposal of covered household hazardous products; and

(E) is reasonably expected to meet performance goals and convenience standards.

(2) If a manufacturer or a stewardship organization fails to submit a plan that is acceptable to the Secretary because it does not meet the requirements of this chapter, the Secretary shall modify the submitted plan to make it conform to the requirements of this chapter and place the modified draft plan on notice pursuant to section 7714 of this title.

(c) Collection plan amendment. The Secretary, in the Secretary's discretion or at the request of a manufacturer or a stewardship organization, may require a stewardship organization to amend an approved collection plan. Collection plan amendments shall be subject to the public input provisions of section 7717 of this title.

(d) Registrations. The Secretary shall accept, review, and approve or deny registrations required by this chapter. The Secretary may revoke a registration of a stewardship organization when the actions of the stewardship organization are unreasonable, unnecessary, or contrary to the requirements or the policy of this chapter. The Secretary shall only approve one stewardship organization for the first collection plan.

(e) Supervisory capacity. The Secretary shall act in a supervisory capacity over the actions of a stewardship organization registered under this section. In acting in this capacity, the Secretary shall review the actions of the stewardship organization to ensure that they are reasonable, necessary, and limited to carrying out requirements of and policy established by this chapter.

(f) Special handling requirements. The Secretary may adopt by rule special handling requirements for the collection, transport, and disposal of covered household hazardous products.

§ 7188. OTHER DISPOSAL PROGRAMS

A municipality or other public agency shall not require covered entities to use public facilities to dispose of covered household hazardous products to the exclusion of other lawful programs available. A municipality and other public agencies are encouraged to work with manufacturers to assist them in meeting their collection and disposal obligations under this chapter. Nothing in this chapter prohibits or restricts the operation of any program collecting and disposing of covered household hazardous products in addition to those provided by manufacturers or prohibits or restricts any persons from receiving, collecting, transporting, or disposing of covered household hazardous products, provided that all other applicable laws are met.

§ 7189. RULEMAKING

The Secretary of Natural Resources may adopt rules to implement the requirements of this chapter.

Sec. 3. AGENCY OF NATURAL RESOURCES RECOMMENDATION OF REGISTRATION FEE FOR COVERED HOUSEHOLD HAZARDOUS PRODUCTS

On or before January 15, 2024, the Secretary of Natural Resources shall submit to the House Committees on Ways and Means and on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy a recommended fee for the registration of stewardship organizations under the covered household hazardous product program under 10 V.S.A. chapter 164B.

Sec. 4. 10 V.S.A. § 6621a(a) is amended to read:

(a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:

* * *

(12) Covered household hazardous products after July 1, 2025.

Sec. 5. 10 V.S.A. § 7714 is amended to read:

§ 7714. TYPE 3 PROCEDURES

(a) Purpose; scope.

(1) The purpose of this section is to establish the public notice and comment requirements that the Department must follow when adopting general permits, except for general permits governed by section 7712 of this chapter, and when considering other permits listed in this section.

(2) The procedures under this section shall be known as Type 3 Procedures. This section governs each of the following:

(A) Each general permit issued pursuant to the Secretary's authority under this title other than a general permit subject to section 7712 of this chapter. However, this section does not apply to a notice of intent under a general permit.

(B) Issuance of a dam safety order under chapter 43 of this title, except for an unsafe dam order under section 1095 of this title.

(C) An application or request for approval of:

(i) an aquatic nuisance control permit under chapter 50 of this title;

(ii) a change in treatment for a public water supply under chapter 56 of this title;

(iii) a collection plan for mercury-containing lamps under section 7156 of this title;

(iv) an individual plan for the collection and recycling of electronic waste under section 7554 of this title; ~~and~~

(v) a primary battery stewardship plan under section 7586 of this title; and

(vi) a covered household hazardous products collection plan under section 7183 of this title.

* * *

Sec. 6. 10 V.S.A. § 8003 is amended to read:

§ 8003. APPLICABILITY

(a) The Secretary may take action under this chapter to enforce the following statutes and rules, permits, assurances, or orders implementing the following statutes, and the Board may take such action with respect to subdivision (10) of this subsection:

* * *

(30) 3 V.S.A. § 2810, relating to interim environmental media standards; ~~and~~

(31) 10 V.S.A. chapter 124, relating to the trade in covered animal parts or products; and

(32) 10 V.S.A. chapter 164B, relating to collection and management of covered household hazardous products.

* * *

Sec. 7. 10 V.S.A. § 8503 is amended to read:

§ 8503. APPLICABILITY

(a) This chapter shall govern all appeals of an act or decision of the Secretary, excluding enforcement actions under chapters 201 and 211 of this title and rulemaking, under the following authorities and under the rules adopted under those authorities:

(1) The following provisions of this title:

* * *

(V) chapter 124 (trade in covered animal parts or products); and

(W) chapter 164B (collection and management of covered household hazardous products).

(2) 29 V.S.A. chapter 11 (management of lakes and ponds).

(3) 24 V.S.A. chapter 61, subchapter 10 (relating to salvage yards).

(4) 3 V.S.A. § 2810 (interim environmental media standards).

* * *

Sec. 8. 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 Natural Resources and Energy.

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.

Third Reading Ordered

H. 77.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to Vermont's adoption of the Physical Therapy Licensure Compact.

Reported recommending that the bill ought to pass in concurrence

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass.

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. 86.

Senator Williams, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact.

Reported that the bill ought to pass in concurrence.

Senator Cummings, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass in concurrence.

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by adding in a new Sec. 7 to read as follows:

Sec. 7. 1 V.S.A. chapter 5, subchapter 5 is amended to read:

Subchapter 5. Interpreters for Judicial, Administrative, and Legislative Findings

§ 331. DEFINITIONS

As used in the subchapter:

(1) "Person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind" means any person who has ~~such~~ difficulty hearing, even with amplification, to the extent that ~~he or she~~ the person cannot rely on hearing for communication.

(2) "Proceeding" means any judicial proceeding, contested case under 3 V.S.A. chapter 25, or other hearing before an administrative agency not included under 3 V.S.A. chapter 25.

(3) "Qualified interpreter" means an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who meets standards of competency established by the national or Vermont Registry of Interpreters for the Deaf ~~as amended, by rule, by the Vermont Commission of the Deaf and Hard of Hearing~~.

§ 332. RIGHT TO INTERPRETER; ASSISTIVE LISTENING EQUIPMENT

(a) Any person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who is a party or witness in any proceeding shall be entitled to be provided with a qualified interpreter for the duration of the person's participation in the proceeding.

(b) Any person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind shall be entitled to be provided with a qualified interpreter upon five working days' notice that the person has reasonable need to do any of the following:

* * *

(c) If a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind is unable to use or understand sign language, the presiding officer or State board or agency or State legislative official shall, upon five working days' notice, make available appropriate assistive listening equipment for use during the proceeding or activity.

§ 333. APPOINTMENT OF INTERPRETER

(a) The presiding officer in a proceeding shall appoint an interpreter after making a preliminary determination that the interpreter is able to:

(1) readily communicate with the person who is ~~deaf or hard of hearing, to~~ Deaf, Hard of Hearing, or DeafBlind;

(2) accurately interpret statements or communications from the person who is ~~deaf or hard of hearing,~~ Deaf, Hard of Hearing, or DeafBlind; and ~~to~~

(3) interpret the proceedings to the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind.

* * *

§ 336. RULES; INFORMATION; LIST OF INTERPRETERS

(a) The ~~Vermont Commission of the Deaf and Hard of Hearing shall, by rule, establish factors to be considered by the presiding officer under section 333 of this title before appointing an interpreter who is not a qualified interpreter. Such factors shall encourage the widest availability of interpreters in Vermont while at the same time ensuring~~ State of Vermont shall maintain a contract to operate a statewide sign language interpreter referral service to provide services to a person who has a right to an interpreter under section 332 of this subchapter. The contract shall require that ~~the~~ an interpreter providing services through the sign language interpreter referral service:

(1) is able to communicate readily with the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(2) is able to interpret accurately statements or communications by the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(3) is able to interpret the proceedings to the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(4) ~~shall~~ maintain confidentiality;

(5) ~~shall~~ be impartial with respect to the outcome of the proceeding;

(6) ~~shall~~ does not exert any influence over the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind; and

(7) ~~shall~~ does not accept assignments the interpreter does not feel competent to handle.

(b) ~~Rules established by the Vermont Commission of the Deaf and Hard of Hearing pursuant to subdivision 331(3) of this title amending the standards of competency established by the national or Vermont Registry of the Deaf shall be limited to the factors set forth in subsection (a) of this section.~~ [Repealed.]

(c) ~~The Vermont Commission of the Deaf and Hard of Hearing shall prepare an explanation of the provisions of this subchapter which shall be distributed to all State agencies and courts.~~ [Repealed.]

(d) The ~~Department of Disabilities, Aging, and Independent Living shall maintain a list of qualified interpreters in Vermont and, where such information is available, in surrounding states. The list shall be distributed to~~ State of Vermont shall maintain access to qualified interpreters in Vermont for all State agencies and courts through the statewide contract maintained by the State pursuant to subsection (a) of this section.

§ 337. REVIEW

(a) A decision, order, or judgment of a court or administrative agency may be reversed on appeal if the court or agency finds that a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who was a party or a witness in the proceeding was deprived of an opportunity to communicate effectively, and that the deprivation was prejudicial.

* * *

§ 338. ADMISSIONS; CONFESSIONS

(a) An admission or confession by a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind made to a law enforcement officer or any other person having a prosecutorial function may only be used against the person in a criminal proceeding if:

(1) ~~The~~ the admission or confession was made knowingly, voluntarily, and intelligently and is not subject to alternative interpretations resulting from the person's habits and patterns of communication~~.~~; and

(2) ~~The~~ the admission or confession, if made during a custodial interrogation, was made after reasonable steps were taken, including the appointment of a qualified interpreter, to ensure that the defendant understood ~~his or her~~ the defendant's constitutional rights.

(b) The provisions of subsection (a) of this section supplement the constitutional rights of the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind.

§ 339. COMMUNICATIONS MADE TO INTERPRETERS; PROHIBITION ON DISCLOSURE

(a) An interpreter, whether or not the interpreter is a qualified interpreter, shall not disclose or testify to:

(1) a communication made by a person to an interpreter acting in ~~his or her~~ the capacity ~~as~~ of an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency; or

(2) any information obtained by the interpreter while acting in ~~his or her~~ the capacity ~~as~~ of an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency.

(b) There is no prohibition on disclosure under this section if the services of the interpreter were sought or obtained to enable or aid anyone to commit or plan to commit what the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or the person with limited English proficiency knew or reasonably should have known to be a crime or fraud.

* * *

(d) As used in this section, "person with limited English proficiency" means a person who does not speak English as ~~his or her~~ the person's primary language and who has a limited ability to read, write, speak, or understand English.

and by renumbering the remaining section to be numerically correct.

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

Thereupon, Senators Perchlik, Baruth, Kitchel, Sears, Starr and Westman moved to substitute a proposal of amendment for the recommendation of proposal of amendment of the Committee on Appropriations by adding a new Sec. 7 to read as follows:

Sec. 7. 1 V.S.A. chapter 5, subchapter 5 is amended to read:

Subchapter 5. Interpreters for Judicial, Administrative, and Legislative Findings

§ 331. DEFINITIONS

As used in the subchapter:

(1) "Person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind" means any person who has ~~such~~ difficulty hearing, even with amplification, to the extent that ~~he or she~~ the person cannot rely on hearing for communication.

(2) "Proceeding" means any judicial proceeding, contested case under 3 V.S.A. chapter 25, or other hearing before an administrative agency not included under 3 V.S.A. chapter 25.

(3) "Qualified interpreter" means an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who meets standards of competency established by the national or Vermont Registry of Interpreters for the Deaf ~~as amended, by rule, by the Vermont Commission of the Deaf and Hard of Hearing~~.

§ 332. RIGHT TO INTERPRETER; COMMUNICATION ACCESS REALTIME TRANSLATION (CART) SERVICES; ASSISTIVE LISTENING EQUIPMENT

(a) Any person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who is a party or witness in any proceeding shall be entitled to be provided with a qualified interpreter or CART services for the duration of the person's participation in the proceeding.

(b) Any person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind shall be entitled to be provided with a qualified interpreter or CART services upon five working days' notice that the person has reasonable need to do any of the following:

* * *

(c) If a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind is unable to use or understand sign language, the presiding officer or State board or agency or State legislative official shall, upon five working days' notice, make available appropriate assistive listening equipment for use during the proceeding or activity.

§ 333. APPOINTMENT OF INTERPRETER

(a) The presiding officer in a proceeding shall appoint an interpreter after making a preliminary determination that the interpreter is able to:

(1) readily communicate with the person who is ~~deaf or hard of hearing, to~~ Deaf, Hard of Hearing, or DeafBlind;

(2) accurately interpret statements or communications from the person who is ~~deaf or hard of hearing,~~ Deaf, Hard of Hearing, or DeafBlind; and ~~to~~

(3) interpret the proceedings to the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind.

* * *

§ 336. RULES; INFORMATION; ~~LIST OF INTERPRETERS~~ CONTRACT SERVICES

(a) The ~~Vermont Commission of the Deaf and Hard of Hearing shall, by rule, establish factors to be considered by the presiding officer under section 333 of this title before appointing an interpreter who is not a qualified interpreter. Such factors shall encourage the widest availability of interpreters in Vermont while at the same time ensuring~~ State of Vermont shall maintain contracts to operate CART services and a statewide sign language interpreter referral service to provide services to a person who has a right to an interpreter or CART services under section 332 of this subchapter. The contract shall require that ~~the~~ an interpreter providing services through the sign language interpreter referral service:

(1) is able to communicate readily with the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(2) is able to interpret accurately statements or communications by the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(3) is able to interpret the proceedings to the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind;

(4) ~~shall~~ maintain confidentiality;

(5) ~~shall~~ be impartial with respect to the outcome of the proceeding;

(6) ~~shall~~ does not exert any influence over the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind; and

(7) ~~shall~~ does not accept assignments the interpreter does not feel competent to handle.

(b) ~~Rules established by the Vermont Commission of the Deaf and Hard of Hearing pursuant to subdivision 331(3) of this title amending the standards of competency established by the national or Vermont Registry of the Deaf shall be limited to the factors set forth in subsection (a) of this section.~~ [Repealed.]

(c) ~~The Vermont Commission of the Deaf and Hard of Hearing shall prepare an explanation of the provisions of this subchapter which shall be distributed to all State agencies and courts.~~ [Repealed.]

(d) The ~~Department of Disabilities, Aging, and Independent Living shall maintain a list of qualified interpreters in Vermont and, where such information is available, in surrounding states. The list shall be distributed to~~ State of Vermont shall maintain access to qualified interpreters in Vermont and CART services for all State agencies and courts through the statewide contracts maintained by the State pursuant to subsection (a) of this section.

§ 337. REVIEW

(a) A decision, order, or judgment of a court or administrative agency may be reversed on appeal if the court or agency finds that a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind who was a party or a witness in the proceeding was deprived of an opportunity to communicate effectively, and that the deprivation was prejudicial.

* * *

§ 338. ADMISSIONS; CONFESSIONS

(a) An admission or confession by a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind made to a law enforcement officer or any other person having a prosecutorial function may only be used against the person in a criminal proceeding if:

(1) ~~The~~ the admission or confession was made knowingly, voluntarily, and intelligently and is not subject to alternative interpretations resulting from the person's habits and patterns of communication~~.~~; and

(2) ~~The~~ the admission or confession, if made during a custodial interrogation, was made after reasonable steps were taken, including the appointment of a qualified interpreter, to ensure that the defendant understood ~~his or her~~ the defendant's constitutional rights.

(b) The provisions of subsection (a) of this section supplement the constitutional rights of the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind.

§ 339. COMMUNICATIONS MADE TO INTERPRETERS; PROHIBITION ON DISCLOSURE

(a) An interpreter, whether or not the interpreter is a qualified interpreter, shall not disclose or testify to:

(1) a communication made by a person to an interpreter acting in ~~his or her~~ the capacity ~~as~~ of an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency; or

(2) any information obtained by the interpreter while acting in ~~his or her~~ the capacity ~~as~~ of an interpreter for a person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or a person with limited English proficiency.

(b) There is no prohibition on disclosure under this section if the services of the interpreter were sought or obtained to enable or aid anyone to commit or plan to commit what the person who is ~~deaf or hard of hearing~~ Deaf, Hard of Hearing, or DeafBlind or the person with limited English proficiency knew or reasonably should have known to be a crime or fraud.

* * *

(d) As used in this section, "person with limited English proficiency" means a person who does not speak English as ~~his or her~~ the person's primary language and who has a limited ability to read, write, speak, or understand English.

And by renumbering the remaining section to be numerically correct.

The President Resumes the Chair

Which was agreed to.

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

Proposal of Amendment; Third Reading Ordered

H. 126.

Senator Bray, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to community resilience and biodiversity protection.

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. SHORT TITLE

This act may be cited as the "Community Resilience and Biodiversity Protection Act" or "CRBPA."

Sec. 2. FINDINGS

The General Assembly finds:

(1) Nature is facing a catastrophic loss of biodiversity, both globally and locally.

(2) In addition to its intrinsic value, biodiversity is essential to human survival.

(3) According to the United Nations:

(A) one million species of plants and animals are threatened with extinction;

(B) human activity has altered almost 75 percent of the Earth's surface, squeezing wildlife and nature into ever-smaller natural areas of the planet;

(C) the health of ecosystems on which humans and all other species depend is deteriorating more rapidly than ever, affecting the very foundations of economies, livelihoods, food security, health, and quality of life worldwide; and

(D) the causes of the drivers of changes in nature rank as follows:

(i) changes in land, water, and sea use;

(ii) direct exploitation of organisms;

(iii) climate change;

(iv) pollution; and

(v) invasive species.

(4) The 2017 Vermont Forest Action Plan found that fragmentation and parcelization represent major threats to forest health and productivity and exacerbate the impacts of climate change.

(5) In 2022 Acts and Resolves No. 183, the Department of Forests, Parks and Recreation was tasked with developing the Vermont Forest Future Strategic Roadmap to strengthen, modernize, promote, and protect the forest

products sector and the greater forest economy and promote the importance of healthy, resilient, and sustainably managed working forests that provide a diverse array of high-quality products now and in the future.

(6) The 2021 Vermont Climate Assessment highlights an increase in extreme weather events such as droughts and floods as a significant impact of climate change in Vermont and recommends nature-based solutions as a proven, low-cost strategy for climate adaptation and resilience.

(7) The initial Vermont Climate Action Plan calls for investing in strategic conservation to increase the pace of permanent conservation towards 30 by 30 targets, with Vermont Conservation Design guiding prioritization of efforts.

(8) Freshwater vertebrate populations have declined by 84 percent globally since 1970, twice the rate of decline of biodiversity in terrestrial and marine biomes. Almost one in three freshwater species are threatened with extinction.

(9) Approximately 75 percent of all river miles assessed in Vermont are disconnected from their floodplains, indicating degradation and exacerbating flood-related damages.

(10) The Nature Conservancy has developed the Resilient and Connected Landscapes project and found that Vermont plays a key role in the conservation of biodiversity regionally.

(11) The Staying Connected Initiative is an international partnership of public and private organizations. Its goal is to maintain, enhance, and restore landscape connectivity for wide-ranging mammals across the Northern Appalachians-Acadian region, from the Adirondack Mountains to the Maritime Provinces. The Staying Connected Initiative has identified nine linkages across this vast region that are extremely important to wildlife. Six of these linkages lie within Vermont.

(12) The Vermont Department of Fish and Wildlife, working within the Agency of Natural Resources and with Vermont conservation organizations, has developed Vermont Conservation Design, a framework to sustain the State's ecologically functional landscape into the future.

(13) Intact and connected ecosystems support Vermont's biodiversity, reduce flood risks, mitigate drought, and sequester and store carbon.

(14) Vermont's most effective and efficient contribution to conserving biological diversity and maintaining a landscape resilient to climate change is to conserve an intact and connected landscape.

(15) In order to maintain ecological functions in intact and connected ecosystems, the full range of conservation approaches is needed, including supporting private landowner education, technical assistance, and programs; conservation easements that promote sustainable forest management; and conservation easements and fee acquisitions focused on passive management.

(16) The Vermont Housing Finance Agency's 2020 Housing Needs Assessment projected an urgent pre-pandemic need for new housing. Strategic investment in conservation is consistent with construction of housing in Vermont's villages and town centers.

(17) The land and waters, forests and farms, and ecosystems and natural communities in Vermont are the traditional and unceded home of the Abenaki people. Access to land and land-based enterprises has excluded Black, Indigenous, and Persons of Color (BIPOC) Vermonters and others from historically marginalized and disadvantaged communities in the centuries of European settlement. Efforts to increase land conservation must also include opportunities to increase access to land and land-based enterprise for Indigenous People and all who come from historically marginalized and disadvantaged communities.

Sec. 3. 10 V.S.A. chapter 89 is added to read:

CHAPTER 89. COMMUNITY RESILIENCY AND BIODIVERSITY PROTECTION

§ 2801. DEFINITIONS

As used in this section:

(1) "Ecological reserve area" means an area having permanent protection from conversion and that is managed to maintain a natural state within which natural ecological processes and disturbance events are allowed to proceed with minimal interference.

(2) "Biodiversity conservation area" means an area having permanent protection from conversion for the majority of the area and that is managed for the primary goal of sustaining species or habitats. These areas may include regular, active interventions to address the needs of particular species or to maintain or restore habitats.

(3) "Natural resource management area" means an area having permanent protection from conversion for the majority of the area but that is subject to long-term, sustainable land management.

(4) "Conversion" means a fundamental change in natural ecosystem type or habitat, natural or undeveloped land cover type, or natural form and function of aquatic systems.

(5) "Sustainable land management" means the stewardship and use of forests and forestlands, grasslands, wetlands, riparian areas, and other lands, including the types of agricultural lands that support biodiversity, in a way, and at a rate, that maintains or restores their biodiversity, productivity, regeneration capacity, vitality, and their potential to fulfill, now and in the future, relevant ecological, economic, and social functions at local, State, and regional levels, and that does not degrade ecosystem function.

(6) "Conserved" means permanently protected and meeting the definition of ecological reserve area, biodiversity conservation area, or natural resource management area as defined in this section for purposes of meeting the 30 percent goal in subsection 2802(b) of this title. For purposes of meeting the 50 percent goal of subsection 2802(b) of this title, "conserved" primarily means permanently protected and meeting the definition of ecological reserve area, biodiversity conservation area, or natural resource management area as defined in this section, although other long-term land protection mechanisms and measures that achieve the goals of Vermont Conservation Design that are enforceable and accountable and that support an ecologically functional and connected landscape may be considered.

§ 2802. CONSERVATION VISION AND GOALS

(a) The vision of the State of Vermont is to maintain an ecologically functional landscape that sustains biodiversity, maintains landscape connectivity, supports watershed health, promotes climate resilience, supports working farms and forests, provides opportunities for recreation and appreciation of the natural world, and supports the historic settlement pattern of compact villages surrounded by rural lands and natural areas.

(b) It is the goal of the State that 30 percent of Vermont's total land area shall be conserved by 2030, and 50 percent of the State's total land area shall be conserved by 2050. The Secretary of Natural Resources shall lead the effort in achieving these goals. The land conserved shall include State, federal, municipal, and private land.

(c) Reaching 30 percent by 2030 and 50 percent by 2050 shall include a mix of ecological reserve areas, biodiversity conservation areas, and natural resource management areas. In order to support an ecologically functional and connected landscape with sustainable production of natural resources and recreational opportunities, the approximate percentages of each type of conservation category shall be guided by the principles of conservation science and the conservation targets within Vermont Conservation Design, prioritizing ecological reserve areas to protect highest priority natural communities and maintain or restore old forests.

§ 2803. CONSERVED LAND INVENTORY

(a) On or before July 1, 2024, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall create an inventory of Vermont's conserved land and conservation policies to serve as the basis of meeting the conservation goals of Vermont Conservation Design and to meet the goals established in section 2802 of this title. The inventory shall be submitted for review to the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy.

(b) The inventory shall include:

(1) A review of the three conservation categories defined in section 2801 of this title and suggestions for developing any modifications or additions to these categories that maintain or complement the core concepts of ecological reserve areas, biodiversity conservation areas, and natural resource management areas in order to complete the conserved land inventory and inform the comprehensive strategy in the conservation plan. As part of this review, criteria shall be developed to determine the types of agricultural lands that will qualify as supporting and restoring biodiversity and therefore count towards the natural resource management area category.

(2) The amount of conserved land in Vermont that fits into each of the three conservation categories defined in section 2801 of this title, including public and private land. The inventory shall also include other lands permanently protected from development by fee ownership or subject to conservation easements.

(3) A summary of the totality of conservation practices, both permanent and intermediate, available for reaching the goals of this chapter, including what they are, what they do, how they contribute, and what metrics are available to quantify them.

(4) An assessment of how State lands will be used to increase conserved ecological reserve areas.

(5) The implementation methods that could be utilized for achieving the goals of this chapter using Vermont Conservation Design as a guide.

(6) A review of how aquatic systems are currently conserved or otherwise protected in the State, including a description of the benefits land conservation provides for aquatic systems, whether this is sufficient to maintain aquatic system functions and services, and how the implementation methods for achieving the goals of this chapter using Vermont Conservation Design as a guide would include specific strategies for protecting aquatic system health.

(7) How existing programs will be used to meet the conservation goals of this chapter and recommendations for new programs, if any, that will be needed to meet the goals.

(8) An assessment of existing funding and recommendations for new funding sources that will be needed for acquisition of land, purchase or donation of conservation easements, staffing capacity, and long-term stewardship to meet the goals.

(9) An equity assessment of existing land protection and conservation strategies and programs.

(10) An evaluation of the opportunities related to intergenerational land transfer trends and how the State could proactively direct resources to achieve conservation at the time of transfer.

§ 2804. CONSERVATION PLAN

(a) On or before December 31, 2025, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall develop a plan to implement the conservation goals of Vermont Conservation Design and to meet the vision and goals established in section 2802 of this title. The plan shall be submitted for review to the House Committees on Environment and Energy and on Agriculture, Food Resiliency, and Forestry and the Senate Committee on Natural Resources and Energy.

(b) The plan shall include:

(1) a comprehensive strategy for achieving the vision and goals of section 2802 of this title while continuing to conserve and protect Vermont's agricultural land, working forests, historic properties, recreational lands, and surface waters;

(2) the implementation methods for achieving the vision and goals of this chapter using Vermont Conservation Design as a guide;

(3) recommendations to provide and increase equitable access to protected and conserved lands and land-based enterprises, including recreational access to and use of conserved lands; and

(4) recommendations to implement the vision and goals of this chapter while also enhancing the State of Vermont's current investments and commitments to working lands enterprises, rural landowners, and the broad conservation mission implemented by the Secretary and VHCB, including conservation of agricultural land, working forests, historic properties, recreational lands, and surface waters.

(c) In developing the plan, the Vermont Housing and Conservation Board, in consultation with the Secretary, shall hold 12 or more public meetings on the plan between July 1, 2023 and December 31, 2025 to solicit input from stakeholders. Stakeholders shall include private owners of forestlands and agricultural lands, land trusts, conservation organizations, environmental organizations, working lands enterprises, outdoor recreation groups and businesses, Indigenous groups and representatives from historically marginalized and disadvantaged communities, watershed groups, municipalities, regional planning commissions, conservation commissions, and relevant State and federal agencies. At least three of the meetings shall be designed to solicit comments from the general public.

(d) The conserved land inventory established in 2803 of this title shall be updated biennially to track progress toward meeting the vision and goals of this chapter, which shall be publicly available, and the Secretary shall submit a report to the relevant committees on or before January 15 following each update.

Sec. 4. APPROPRIATIONS

(a) The sum of $75,000.00 is appropriated from the General Fund to the Vermont Housing and Conservation Board in fiscal year 2024 to support public education and outreach to inform the development of the statewide conservation plan.

(b) The sum of $150,000.00 is appropriated from the General Fund to the Agency of Natural Resources in fiscal year 2024 to hire a limited-service position to support the development of the statewide conservation plan.

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

Senator Lyons, 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 Natural Resources and Energy.

Thereupon, the bill was read the second time by title only pursuant to Rule 43, the proposal of amendment of the Committee on Natural Resources was agreed to, and third reading of the bill was ordered on a roll call, Yeas 20, Nays 7.

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: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Starr, Westman, Williams.

Those Senators absent and not voting were: Kitchel, Sears, Weeks.

Proposals of Amendment; Third Reading Ordered

H. 171.

Senator Lyons, for the Committee on Health and Welfare, to which was referred House bill entitled:

An act relating to adult protective services.

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

First: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (1)(A), by inserting the word or before the word "recklessly" and by striking out ", or negligently"

Second: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (21)(A), by inserting the word or before "reckless" and by striking out ", or negligent"

Third: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, by striking out subdivision (9) in its entirety and by inserting a new subdivision (9) to read as follows:

(9) "Caregiver" means ~~a person, agency, facility, or other organization with responsibility for providing subsistence or medical or other care to an adult who is an elder or has a disability, who has assumed the responsibility voluntarily, by contract, or by an order of the court; or a person providing care, including medical care, custodial care, personal care, mental health services, rehabilitative services, or any other kind of care provided that is required because of another's age or disability~~:

(A) a worker or employee in a facility or program that provides care to an adult who is an elder or has a disability and who has assumed the responsibility voluntarily, by contract, or by an order of the court; or

(B) a person with a designated responsibility for providing care to a person that is required because of the person's age or disability.

Fourth: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (34)(B), by inserting before the semicolon the phrase or is determined to be clinically eligible to receive Long-Term Medicaid waiver services

Fifth: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (34)(C), by inserting or before "infirmities of aging" and by striking out "; or is determined to be clinically eligible to receive Long-Term Medicaid waiver services"

Sixth: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6902, in subdivision (34)(C)(ii), by inserting the phrase the specific report of before "abuse"

Seventh: In Sec. 1, 33 V.S.A. chapter 69, subchapter 1, in section 6911, in subsection (a), in subdivision (1), in first sentence, after "protections," by inserting the following phrase except those provided by the Health Insurance Portability and Accountability Act of 1996, its corresponding regulations, and 18 V.S.A. § 1881,

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

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals of amendment as recommended by the Committee on Health and Welfare.

Thereupon, the bill was read the second time by title only pursuant to Rule 43.

Thereupon, pending the question, Shall the Senate propose to the House that the bill be amended as recommended by the Committee on Health and Welfare?, Senators Lyons, Gulick and Williams move to amend the proposal of amendment of the Committee on Health and Welfare by striking out the *sixth* proposal of amendment in its entirety and by renumbering the remaining proposal of amendment to be numerically correct.

Which was agreed to.

Thereupon, the proposals of amendment of the Committee on Health and Welfare, as amended, were agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 488.

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

An act relating to approval of the adoption of the charter of the Town of Ludlow.

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

In Sec. 2, 24 App. V.S.A. chapter 125 (Town of Ludlow), in § 2, by striking out all after the section heading and inserting in lieu thereof the following:

Except as otherwise specifically provided by law or by a vote of the citizens of the Town at an annual or special meeting, the Select Board may determine the articles to be voted upon by Australian ballot at a special or annual Town meeting and shall indicate such in the warning.

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 Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 45, H. 157, H. 291, H. 386, H. 470.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the forenoon on Wednesday, May 10, 2023.

WEDNESDAY, MAY 10, 2023

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. 60

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

Mr. President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 21. An act relating to landlord notice of utility disconnections.

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. 4. An act relating to reducing crimes of violence associated with juveniles and dangerous weapons.

S. 6. An act relating to law enforcement interrogation policies.

S. 33. An act relating to miscellaneous judiciary procedures.

S. 47. An act relating to the transport of individuals requiring psychiatric care.

S. 89. An act relating to establishing a forensic facility.

S. 95. An act relating to banking and insurance.

S. 112. An act relating to miscellaneous subjects related to the Public Utility Commission.

S. 115. An act relating to miscellaneous agricultural subjects.

S. 138. An act relating to school safety.

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

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

J.R.S. 17. Joint resolution urging U.S. Citizenship and Immigration Services to comply with the expedited asylum hearing provisions of the Afghan Supplemental Appropriations Act of 2022.

And has adopted the same in concurrence.

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

S. 48. An act relating to regulating the sale of catalytic converters.

And has concurred therein.

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

H. 94. An act relating to removing the Reach Up ratable reduction.

H. 206. An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

H. 481. An act relating to public health initiatives to address death by suicide.

H. 482. An act relating to Vermont Criminal Justice Council recommendations for law enforcement officer training.

And has severally concurred therein.

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

H. 53. An act relating to driver's license suspensions.

And has concurred therein.

The Governor has informed the House that on May 8, 2023, he approved and signed bills originating in the House of the following titles:

H. 41. An act relating to referral of domestic and sexual violence cases to community justice centers.

H. 76. An act relating to captive insurance.

H. 146. An act relating to amendments to the charter of the Northeast Kingdom Waste Management District.

Bill Referred

House bill of the following title was read the first time:

H. 21. An act relating to landlord notice of utility disconnections.

And pursuant to Temporary Rule 44A was referred to the Committee on Rules.

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 10th day of May, 2023 he approved and signed a bill originating in the Senate of the following:

S. 37. An act relating to access to legally protected health care activity and regulation of health care providers.

Bill Referred to Committee on Appropriations

H. 429.

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 changes to election laws.

Rules Suspended; Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence

H. 452.

Pending entry on the Calendar for notice, on motion of Senator Clarkson, the rules were suspended and House bill entitled:

An act relating to expanding apprenticeship and other workforce opportunities.

Was taken up for immediate consideration.

Thereupon, Senator Clarkson, for the Committee on Economic Development, Housing and General Affairs, to which was referred the bill, 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.

Thereupon, on motion of Senator Clarkson, the rules were suspended and the bill was placed on all remaining stages of its passage in concurrence forthwith.

Thereupon, the bill was read the third time and passed in concurrence.

Rules Suspended; Proposal of Amendment; Third Reading Ordered

H. 217.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous workers' compensation amendments.

Was taken up for immediate consideration.

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

* * * Workers' Compensation * * *

Sec. 1. WORKERS' COMPENSATION RATE OF CONTRIBUTION

For fiscal year 2024, after consideration of the formula in 21 V.S.A. § 711(b) and historical rate trends, the General Assembly determines that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall be 1.5 percent. The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

Sec. 2. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

* * *

(b)(1) Annually, the General Assembly shall establish the rate of contribution for the direct calendar year premium for workers' compensation insurance. The rate shall equal the amount approved in the appropriations process for the program and the Department's projection of salary and benefit increases for that fiscal year, less the amount collected in the prior calendar year under subsection (a) of this section from self-insured workers' compensation losses and from corporations approved under this chapter, adjusted by any balance in the fund from the prior fiscal year, divided by the total direct calendar year premium for workers' compensation insurance for the prior year.

(2) In the event that the General Assembly does not establish the rate of contribution for the direct calendar year premium for workers' compensation insurance for a given fiscal year, the rate shall remain unchanged from the prior fiscal year.

Sec. 3. 2014 Acts and Resolves No. 199, Sec. 54b is amended to read:

Sec. 54b. 21 V.S.A. § 643a is added to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not

support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of 14 days. The objection to the discontinuance shall be specific as to the reasons and include supporting evidence. A copy of the objection shall be provided to the employer at the time the request is made to the Commissioner. ~~Those~~ The payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 4. 21 V.S.A. § 640b is amended to read:

§ 640b. REQUEST FOR PREAUTHORIZATION TO DETERMINE IF PROPOSED ~~TREATMENT IS~~ BENEFITS ARE NECESSARY

(a) As used in this section, "benefits" means medical treatment and surgical, medical, and nursing services and supplies, including prescription drugs and durable medical equipment.

(b) Within 14 days ~~of~~ after receiving a written request for preauthorization for ~~a~~ proposed ~~medical treatment~~ benefits and medical evidence supporting the requested ~~treatment~~ benefits, a workers' compensation insurer shall do one of the following, in writing:

(1) ~~authorize~~ Authorize the ~~treatment~~ benefits and notify the health care provider, the injured worker, and the Department~~; or~~.

(2)~~(A) deny~~ Deny the ~~treatment~~ benefits because the entire claim is disputed and the Commissioner has not issued an interim order to pay benefits~~;~~

~~or~~. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny benefits.

~~(B)~~(3) ~~deny~~ Deny the ~~treatment~~ benefits if, based on a preponderance of credible medical evidence specifically addressing the proposed ~~treatment~~ benefits, ~~it is~~ the benefits are unreasonable ~~or~~, unnecessary, or unrelated to the work injury. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny ~~treatment; or~~ benefits.

~~(3)~~(4) ~~notify~~ Notify the health care provider, the injured worker, and the Department that the insurer has scheduled an examination of the employee pursuant to section 655 of this title or ordered a medical record review pursuant to section ~~655~~ 655a of this title. Based on the examination or review, the insurer shall authorize or deny the ~~treatment~~ benefits and notify the Department and the injured worker of the decision within 45 days ~~of~~ after a request for preauthorization. The Commissioner may, in ~~his or her~~ the Commissioner's sole discretion, grant a 10-day extension to the insurer to authorize or deny ~~treatment~~ benefits, and such an extension shall not be subject to appeal.

~~(b)~~(c) If the insurer fails to authorize or deny the ~~treatment~~ benefits pursuant to subsection ~~(a)~~ (b) of this section within 14 days ~~of~~ after receiving a request, the claimant or health care provider may request that the Department issue an order authorizing ~~treatment~~ benefits. After receipt of the request, the Department shall issue an interim order within five days after notice to the insurer, and five days in which to respond, absent evidence that the entire claim is disputed. Upon request of a party, the Commissioner shall notify the parties that the ~~treatment has~~ benefits have been authorized by operation of law.

~~(c)~~(d) If the insurer denies the preauthorization of the ~~treatment~~ benefits pursuant to subdivision (a)(2) ~~or~~, (3), or (4) of this section, the Commissioner may, on ~~his or her~~ the Commissioner's own initiative or upon a request by the claimant, issue an order authorizing the ~~treatment~~ benefits if ~~he or she~~ the Commissioner finds that the evidence shows that the ~~treatment is~~ benefits are reasonable, necessary, and related to the work injury.

Sec. 5. 21 V.S.A. § 643d is added to read:

§ 643d. WORK SEARCH; REQUIREMENTS; EXCEPTIONS

(a) An employer may require an employee who is receiving temporary disability benefits pursuant to section 646 of this chapter to engage in a good faith search for suitable work if:

(1) the injured employee is medically released to return to work, either with or without limitations;

(2) the employer has provided the injured employee with written notification that the employee is medically released to return to work and the notification describes any applicable limitations; and

(3) the employer cannot offer the injured employee work that the employee is medically released to do.

(b) An injured employee shall not be required to engage in a good faith search for suitable work if the employee:

(1) is already employed; or

(2) has been referred for or is scheduled to undergo one or more surgical procedures.

(c) An employer shall not require an injured employee to contact more than three employers per week as part of a good faith work search performed pursuant to this section.

Sec. 6. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

(a)(1) Where the disability for work resulting from an injury is partial, ~~during the disability and~~ beginning on the eighth day ~~thereof~~ of the period of disability, the employer shall pay the injured employee a weekly compensation equal to the greater of:

(A) the difference between the amount the injured employee would be eligible to receive pursuant to section 642 of this chapter, including any applicable cost of living adjustment or dependency benefits that would be due, and the wage the injured employee earns during the period of disability; and

(B) two-thirds of the difference between ~~his or her~~ the injured employee's average weekly wage before the injury and the ~~average weekly wage which he or she is able to earn thereafter~~ amount the employee earns during the period of disability.

(2) Compensation paid pursuant to this subsection shall be adjusted following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability

$20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

Sec. 7. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

* * *

(b)~~(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.~~

~~(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.~~ [Repealed.]

Sec. 8. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

(a)(1) Where the injury causes total disability for work, during ~~such~~ the disability, but not including the first three days~~,~~ with the day of the accident to be counted as the first day~~,~~ unless the employee received full wages for that day, the employer shall pay the injured employee a weekly compensation equal to two-thirds of the employee's average weekly wages~~, but~~.

(2) The weekly compensation shall be in an amount that is not more than the maximum nor less than the minimum weekly compensation.

(3) Compensation paid pursuant to this subsection shall be adjusted on the first July 1 following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition~~, the injured employee, during the disability period shall receive $10.00 a~~ to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child who is ~~unmarried and~~ under ~~the age of~~ 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children. ~~However, in no event shall an~~

(2) The amount allowed for the dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

(c) Notwithstanding any provision of subsection (a) or (b) of this section to the contrary:

(1) An employee's total weekly wage replacement benefits, including any payments for a dependent child, shall not exceed 90 percent of the employee's average weekly wage prior to applying any applicable cost of living adjustment. ~~The amount allowed for dependent children shall be increased or decreased weekly to reflect the number of dependent children extant during the week of payment.~~

(2) If the total disability continues after the third day for a period of seven consecutive calendar days or more, compensation shall be paid for the whole period of the total disability.

Sec. 9. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

* * *

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability ~~$20.00~~ $10.00 per week for each dependent child who is under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

* * *

Sec. 10. 21 V.S.A. § 650 is amended to read:

§ 650. PAYMENT; AVERAGE WAGE; COMPUTATION

* * *

(d)(1) Compensation computed pursuant to this section shall be adjusted annually on July 1, so that ~~such~~ the compensation continues to bear the same percentage relationship to the average weekly wage in the State ~~as computed under this chapter~~ as it did at the time of injury.

(2) Temporary total or temporary partial compensation shall first be adjusted on the first July 1 following the receipt of 26 weeks of benefits.

(3) Permanent total and permanent partial compensation shall be adjusted for each July 1 following the date of injury regardless of whether indemnity benefits were paid on each intervening July 1.

(e)(1) If weekly compensation benefits or weekly accrued benefits are not paid within 21 days after becoming due and payable pursuant to an order of

the Commissioner, or in cases in which the overdue benefit is not in dispute, 10 percent of the overdue amount shall be added and paid to the employee, in addition to any amounts due pursuant to subsection (f) of this section and interest and any other penalties.

(2) In the case of an initial claim, benefits are due and payable upon entering into an agreement pursuant to subsection 662(a) of this title, upon issuance of an order of the Commissioner pursuant to subsection 662(b) of this title, or if the employer has not denied the claim within 21 days after the claim is filed.

(3) Benefits are in dispute if the claimant has been provided actual written notice of the dispute within 21 days ~~of~~ after the benefit being due and payable and the evidence reasonably supports the denial.

(4) Interest shall accrue and be paid on benefits that are found to be compensable during the period of nonpayment.

(5) The Commissioner shall promptly review requests for payment under this section and, consistent with subsection 678(d) of this title, shall allow for the recovery of reasonable attorney's fees associated with an employee's successful request for payment under this subsection.

(f)(1)(A) When benefits have been awarded or are not in dispute as provided in subsection (e) of this section, the employer shall establish a weekday on which payment shall be mailed or deposited and notify the claimant and the Department of that day. The employer shall ensure that each weekly payment is mailed or deposited on or before the day established.

(B) Payment shall be made by direct deposit to a claimant who elects that payment method. The employer shall notify the claimant of ~~his or her~~ the claimant's right to payment by direct deposit.

(2) If the benefit payment is not mailed or deposited on the day established, the employer shall pay to the claimant a late fee of $10.00 or five percent of the benefit amount, whichever is greater, for each weekly payment that is made after the established day.

(3) As used in this subsection, "paid" means the payment is mailed to the claimant's mailing address or, in the case of direct deposit, transferred into the designated account. In the event of a dispute, proof of payment shall be established by affidavit.

Sec. 11. 21 V.S.A. § 678 is amended to read:

§ 678. COSTS; ATTORNEY'S FEES

(a) ~~Necessary costs of proceedings under this chapter, including deposition expenses, subpoena fees, and expert witness fees, shall be assessed by the Commissioner against the employer or its workers' compensation carrier when the claimant prevails. The Commissioner may allow the claimant to recover reasonable attorney's fees when the claimant prevails.~~ Costs shall not be taxed or allowed either party except as provided in this section.

(b)(1) When a claimant prevails in either a formal or informal proceeding under this chapter, the Commissioner shall award the claimant necessary costs incurred in relation to the proceeding, including deposition expenses, subpoena fees, and expert witness fees.

(2) The Commissioner may allow a claimant to recover reasonable attorney's fees when the claimant prevails.

(3) In cases for which a formal hearing is requested and the case is resolved prior to a formal hearing:

(A) the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the attorney's efforts; and

(B) the Commissioner shall award necessary costs if the claimant incurred the costs in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the costs incurred.

(c)(1) In appeals to the Superior or Supreme Court, if the claimant prevails, ~~he or she~~ the claimant shall be entitled to reasonable attorney's fees as approved by the court~~,~~; necessary costs, including deposition expenses, subpoena fees, and expert witness fees~~,~~; and interest at the rate of 12 percent per annum on that portion of any award the payment of which is contested.

(2) Interest shall be computed from the date of the award of the Commissioner.

~~(c)~~(d) By January 1, 1999~~,~~ and at least every five years thereafter, the Commissioner shall amend existing rules regarding reasonable attorney's fees awarded under subsection (a) of this section. In amending these rules, the Commissioner shall consider accessibility to legal services, appropriate inflation factors, and any other related factors consistent with the purposes of this chapter. In the event the Commissioner proposes no change in the rules in any five-year period, the Commissioner shall provide a written report to the Legislative Committee on Administrative Rules of the General Assembly

explaining the reasons for not changing the rules.

~~(d) In cases for which a formal hearing is requested and the case is resolved prior to formal hearing, the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and thereafter payments were made to the claimant as a result of the attorney's efforts.~~

* * *

Sec. 12. ADOPTION OF RULES

The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as necessary to implement the provisions of Secs. 4 through 11 of this act.

* * * Unemployment Insurance * * *

Sec. 13. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

~~The following words and phrases, as~~ As used in this chapter~~, shall have the following meanings unless the context clearly requires otherwise~~:

* * *

(25) "Son," "daughter," and "child" include an individual's biological child, foster child, adoptive child, stepchild, a child for whom the individual is listed as a parent on the child's birth certificate, a legal ward of the individual, a child of the individual's spouse, or a child that the individual has day-to-day responsibilities to care for and financially support.

(26) "Spouse" includes an individual's domestic partner or civil union partner. As used in this subdivision, "domestic partner" means another individual with whom an individual has an enduring domestic relationship of a spousal nature, provided that the individual and the individual's domestic partner:

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

(B) are at least 18 years of age;

(C) are not married to, in a civil union with, or considered the 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.

Sec. 14. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

As used in this chapter:

* * *

(5) "Employer" includes:

(A) Any employing unit ~~which, after December 31, 1971~~ that in any calendar quarter in either the current or preceding calendar year paid for service in employment, as ~~hereinafter~~ defined pursuant to subdivision (6) of this section, wages of $1,500.00 or more, or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, had in employment~~, as hereinafter defined,~~ at least one individual (irrespective of whether the same individual was in employment in each such day). When an employing unit described in either this subdivision or subdivision ~~(5)~~(B) of this ~~section~~ subdivision (5), becomes an employer within any calendar year, it shall be subject to this chapter for the whole of ~~such~~ the calendar year.

(B)(i) Any employing unit for which service in employment for a religious, charitable, educational, or other organization as defined in subdivision (6)(A)(ix) of this section is performed after December 31, 1971~~;~~, except as provided in subdivision ~~(5)~~(C) of this ~~section~~ subdivision (5).

* * *

(6)(A)(i) "Employment," subject to the other provisions of this subdivision (6), means service within the jurisdiction of this State~~, performed prior to January 1, 1978, which was employment as defined in this subdivision prior to such date and, subject to the other provisions of this subdivision, service performed after December 31, 1977,~~ performed by an employee, as defined in subsections 3306(i) and (o) of the Federal Unemployment Tax Act, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, expressed or implied. Services partly within and partly ~~without~~ outside this State may by election as ~~hereinbefore~~ provided in subdivision (5)(E)(i) of this section be treated as if wholly within the jurisdiction of this State. ~~And whenever~~ If an employing unit ~~shall have~~ has elected to come under the provisions of a similar act of a state where a part of the services of an employee are performed, the Commissioner, upon ~~his or her approval of said~~ approving the election as to ~~any such~~ the employee, may treat the services covered by ~~said approved~~ the election as having been performed wholly ~~without~~ outside the jurisdiction of this State.

* * *

(ix) The term "employment" shall also include service for any employing unit ~~which is~~ performed ~~after December 31, 1971~~ by an individual in the employ of a religious, charitable, educational, or other organization ~~but only~~ if~~:~~

~~(I)~~ the service is excluded from "employment" as defined in the Federal Unemployment Tax Act solely by reason of ~~section~~ subdivision 3306(c)(8) of that act~~; and~~

~~(II) the organization had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time~~.

* * *

Sec. 15. 21 V.S.A. § 1321 is amended to read:

§ 1321. CONTRIBUTIONS; TAXABLE WAGE BASE CHANGES

* * *

(c)(1) Financing benefits paid to employees of nonprofit organizations.

(A) Benefits paid to employees of nonprofit organizations shall be financed in accordance with the provisions of this subsection (c).

(B) ~~For the purposes of~~ As used in this subsection (c), ~~a~~ "nonprofit organization" ~~is~~ means an organization ~~(~~, or group of organizations~~)~~, described in Section 501(c)(3) of the U.S. Internal Revenue Code ~~which~~ that is exempt from income tax under Section 501(a) of ~~such~~ the Internal Revenue Code.

(2) Liability for contributions and election of reimbursement. Any nonprofit organization ~~which~~ that, pursuant to subdivision 1301(5)(B)(i) of this ~~title~~ chapter, is~~,~~ or becomes~~,~~ subject to this chapter ~~on or after January 1, 1972~~ shall pay contributions under the provisions of this section~~,~~ unless it elects, in accordance with this subsection, to pay to the Commissioner~~,~~ for the Unemployment Insurance Trust Fund~~,~~ an amount equal to the amount of regular benefits and of one-half of the extended benefits paid~~,~~ that is attributable to service in the employ of ~~such~~ the nonprofit organization~~,~~ to individuals for weeks of unemployment ~~which~~ that begin during the effective period of ~~such~~ the election.

(A) ~~Any nonprofit organization which is, or becomes, subject to this chapter on January 1, 1972 may elect to become liable for payments in lieu of contributions for a period of not less than one calendar year beginning with~~

~~January 1, 1972 provided it files with the Commissioner a written notice of its election within the 30-day period immediately following such date or within a like period immediately following April 16, 1971, whichever occurs later.~~ [Repealed.]

(B) Any nonprofit organization ~~which~~ that becomes subject to this chapter ~~after January 1, 1972~~ may elect to become liable for payments in lieu of contributions for a period of not less than 12 months ~~beginning with the date on which such subjectivity begins~~ by filing a written notice of its election with the Commissioner not later than 30 days immediately following the date of the determination ~~of such subjectivity~~ that the organization is subject to this chapter.

(C) Any nonprofit organization ~~which~~ that makes an election in accordance with ~~subdivisions (c)(2)(A) and~~ subdivision (B) of this ~~section will~~ subdivision (c)(2) shall continue to be liable for payments in lieu of contributions until it files with the Commissioner a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which ~~such~~ the termination shall first be effective.

(D) Any nonprofit organization ~~which~~ that has been paying contributions under this chapter ~~for a period subsequent to January 1, 1972~~ may ~~change to a reimbursable basis~~ elect to become liable for payments in lieu of contributions by filing with the Commissioner not later than 30 days prior to the beginning of any calendar year a written notice of election to become liable for payments in lieu of contributions. ~~Such~~ An election under this subdivision (c)(2)(D) shall not be terminable by the organization for that year and the next year.

(E) The Commissioner may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive ~~but not any earlier than with respect to benefits paid after December 31, 1969~~.

(F) The Commissioner, in accordance with ~~such~~ any applicable rules ~~as~~ adopted by the Board ~~may prescribe~~, shall notify each nonprofit organization of any determination ~~which he or she may make of~~ that the Commissioner makes with regard to its status as an employer and ~~of~~ the effective date of any election ~~which it~~ that the organization makes and of any termination of ~~such~~ an election. ~~Such~~ The determinations shall be subject to reconsideration and to appeal and review in accordance with the provisions of section 1337a of this title.

(3) Reimbursement payments. Payments in lieu of contributions shall be made in accordance with the provisions of this subdivision, including either

subdivision (A) or ~~subdivision~~ (B).

(A) At the end of each calendar quarter, or at the end of any other period as determined by the Commissioner, the Commissioner shall bill each nonprofit organization, or group of ~~such~~ nonprofit organizations, ~~which~~ that has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one-half of the amount of extended benefits paid during ~~such~~ the quarter or other prescribed period that is attributable to service in the employ of ~~such~~ the organization.

(B)(i) Each nonprofit organization that has elected payments in lieu of contributions may request permission to make ~~such~~ payments as provided in this subdivision (c)(3)(B). ~~Such method of payment~~ Payment pursuant to the provisions of this subdivision (c)(3)(B) shall become effective upon approval of the Commissioner.

(ii) At the end of each calendar quarter, the Commissioner shall bill each nonprofit organization approved to make payments pursuant to the provisions of this subdivision (c)(3)(B) for an amount representing ~~one of the following:~~

~~(I) For 1972, two-tenths of one percent of its total payroll for 1971.~~

~~(II) For years after 1972, such~~ a percentage of its total payroll for the immediately preceding calendar year ~~as~~ that the Commissioner ~~shall determine. The determination shall be~~ determines to be appropriate based ~~each year~~ on the average benefit costs attributable to service in the employ of nonprofit organizations during the preceding calendar year.

~~(III) For~~ The Commissioner may determine a different rate for any organization ~~which~~ that did not pay wages throughout the four calendar quarters of the preceding calendar year~~, such percentage of its payroll during that year as the Commissioner shall determine~~.

(iii) At the end of each calendar year, the Commissioner may modify the quarterly percentage of payroll thereafter payable by the nonprofit organization in order to minimize excess or insufficient payments.

(iv) At the end of each calendar year, the Commissioner shall determine whether the total of payments for ~~such~~ the year made by a nonprofit organization is less than, or in excess of, the total amount of regular benefits plus one-half of the amount of extended benefits paid to individuals during ~~such~~ the taxable year based on wages attributable to service in the employ of ~~such~~ the organization. Each nonprofit organization whose total payments for ~~such~~ the year are less than the amount ~~so~~ determined shall be liable for

payment of the unpaid balance to the Trust Fund in accordance with subdivision ~~(3)~~(C) of this ~~subsection~~ subdivision (c)(3). If the total payments exceed the amount so determined for the taxable year, all or a part of the excess shall, at the election of the nonprofit organization, be refunded from the Trust Fund or retained in the Trust Fund as part of the payments ~~which~~ that may be required for the next calendar year.

(C) Payment of any bill rendered under subdivision (2) ~~or subdivision (3)~~ of this subsection (c) or this subdivision (c)(3) shall be made not later than 30 days after the bill is mailed to the last known address of the nonprofit organization or is otherwise delivered to it~~,~~ unless there has been an application for redetermination by the Commissioner or a petition for hearing before a referee in accordance with subdivision ~~(3)~~(E) of this ~~subsection~~ subdivision (c)(3).

(D) Payments made by any nonprofit ~~corporation~~ organization under the provisions of this section shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of the organization.

(E)(i) The amount due specified in any bill from the Commissioner shall be conclusive on the organization unless, not later than 30 days after the date of the bill, the organization files an application for reconsideration by the Commissioner, or a petition for a hearing before a referee, setting forth the grounds for ~~such~~ the application or petition.

(ii) The Commissioner shall promptly review and reconsider the amount due specified in the bill and shall thereafter issue a redetermination in any case in which ~~such~~ an application for redetermination has been filed. Any such redetermination shall be conclusive on the organization unless, not later than 30 days after the date of the redetermination, the organization files a petition for a hearing before a referee~~,~~ setting forth the grounds for the petition.

(iii) Proceedings on the petition for a hearing before a referee on the amount of a bill rendered under this section or a redetermination of ~~such~~ the amount shall be in accordance with the provisions of section 1331 of this title, and the decision of the referee shall be subject to the provisions of that section. Review of the decision of the referee by the Employment Security Board shall be in accordance with, and its decision shall be subject to, the provisions of section 1332 of this title.

(F) Any employer, including the State of Vermont ~~which~~, that makes payments in lieu of contributions under this section shall be subject to the provisions of sections 1314, 1322, 1328, 1329, 1334, and 1336 of this title as

follows:

(i) ~~that~~ The employer shall be liable for any reports ~~as~~ required by the Commissioner ~~may require~~ pursuant to sections 1314 and 1322 of this title~~;~~.

(ii) ~~that~~ The employer shall be liable for any penalty imposed pursuant to sections 1314 and 1328 of this title~~;~~.

(iii) ~~that~~ The employer shall be liable for the same interest on past due payments pursuant to subsection 1329(a) of this title~~;~~.

(iv) ~~that~~ The employer shall be subject to a civil action for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(b) and 1334(a) of this title~~; and~~.

(v) ~~that~~ The employer shall be subject to ~~those~~ actions for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(c) and (d)~~,~~ and 1334(b) and (c)~~,~~ and section 1336 of this title; however, those provisions shall not apply to the State of Vermont.

(4) Authority to terminate elections. If any nonprofit organization is delinquent in making payments in lieu of contributions as required under this subsection, the Commissioner may terminate ~~such~~ the organization's election to make payments in lieu of contributions as of the beginning of the next taxable year, and the termination shall be effective for that and the next taxable year.

(5) Allocation of benefit costs.

(A) Each employer that is liable for payments in lieu of contributions shall pay to the Commissioner for the Trust Fund the amount of regular benefits plus the amount of one-half of extended benefits paid that are attributable to service in the employ of ~~such~~ the employer.

(B) If benefits paid to an individual are based on wages paid by more than one employer and one or more of ~~such~~ the employers are liable for payments in lieu of contributions, the amount payable to the Trust Fund by each employer that is liable for ~~such~~ payments in lieu of contributions shall be ~~determined in accordance with subdivisions (5)(A) and (B) of this subsection (c):~~

~~(A) Proportionate allocation when fewer than all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by one or more employers that are liable for payments in lieu of contributions and on wages paid by one or more employers who are liable for contributions, the amount of benefits payable by each employer that~~

~~is liable for payments in lieu of contributions shall be~~ an amount ~~which~~ that bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by ~~such~~ the employer bear to the total base-period wages paid to the individual by all of ~~his or her~~ the individual's base-period employers.

~~(B) Proportionate allocation when all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by two or more employers that are liable for payments in lieu of contributions, the amount of benefits payable by each employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by the employer bear to the total base-period wages paid to the individual by all of his or her base-period employers.~~

(6) Group accounts. Two or more employers that have become liable for payments in lieu of contributions, in accordance with the provisions of this section and section 1380 of this title, may file a joint application to the Commissioner for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of ~~such~~ the employers. Each application shall identify and authorize a group representative to act as the group's agent for the purpose of this section. Upon ~~his or her~~ approval of the application, the Commissioner shall establish a group account for ~~such~~ the employers effective as of the beginning of the calendar quarter in which ~~he or she~~ the Commissioner receives the application and shall notify the group's representative of the effective date of the account. The account shall remain in effect for not less than two years and thereafter until terminated at the discretion of the Commissioner or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in ~~such~~ the quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by ~~such~~ the member in ~~such~~ the quarter bear to the total wages paid during ~~such~~ the quarter for service performed in the employ of all members of the group. The Board shall ~~prescribe regulations~~ adopt rules as it deems necessary with respect to applications for establishment, maintenance, and termination of group accounts that are authorized by this subdivision, for addition of new members to, and withdrawal of active members from, such accounts, and for the determination of the amounts that are payable under this ~~section~~ subsection by members of the group and the time and manner of ~~such~~ the payments.

(7) ~~Notwithstanding any of the foregoing provisions of this section, any nonprofit organization that prior to January 1, 1969, paid contributions~~

~~required by this section, and, pursuant to subsection (c) of this section, elects within 30 days after January 1, 1972, to make payments in lieu of contributions, shall not be required to make any such payment on account of any regular or extended benefits paid, on the basis of wages paid by such organization to individuals for weeks of unemployment which begin on and after the effective date of the election until the total amount of benefits equals the amount (1) by which the contributions paid by the organization with respect to the two-year period before the effective date of the election under subsection (b) of this section exceed (2) the total amount of unemployment benefits paid for the same period that were attributable to service performed in the employ of the organization and were charged to the experience rating record of the organization.~~ [Repealed.]

* * *

(f) Any employer who makes payments in lieu of contributions under the provisions of this section is considered to be self-insuring and shall pay to the Commissioner for the Unemployment Compensation Trust Fund ~~such~~ any amounts ~~as~~ the Commissioner finds to be due under this chapter, including benefits paid but denied on appeal or benefits paid in error ~~which~~ that cannot be properly charged either against another employer who makes payments in lieu of contributions or against the experience-rating record of another employer who pays contributions. Benefits improperly paid where repayment by the claimant is ordered pursuant to subsection 1347(a) or (b) of this title will be credited to the employer's account when repayment from the claimant is actually received by the Commissioner.

Sec. 16. NONPROFIT AND MUNICIPAL REIMBURSABLE EMPLOYERS; EDUCATION; OUTREACH

(a) On or before October 1, 2023, the Commissioner of Labor, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall develop information and education materials for nonprofit and municipal employers regarding the unemployment insurance system. At a minimum, the materials shall:

(1) explain the options available to nonprofit and municipal employers, including paying regular unemployment insurance contributions, reimbursing the Unemployment Insurance Trust Fund for attributable unemployment insurance costs, and, with respect to nonprofit employers, quarterly payments of estimated unemployment insurance costs;

(2) identify the potential benefits and drawbacks of each of the options identified in subdivision (1) of this subsection;

(3) provide information on how a nonprofit or municipal employer can evaluate its potential liability under each of the options identified in subdivision (1) of this subsection;

(4) provide information developed by the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders regarding how a nonprofit or municipal employer can plan and budget for the potential expenses associated with each of the options identified in subdivision (1) of this subsection; and

(5) provide additional information regarding the Unemployment Insurance program and related laws that the Commissioner determines, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, to be helpful or necessary for nonprofit and municipal employers.

(b)(1) The informational and educational materials developed pursuant to subsection (a) of this section shall be made available on the Department's website and shall, in coordination with the Secretary of State, Common Good Vermont, United Way of Northwest Vermont, the Vermont League of Cities and Towns, and other interested stakeholders, be shared directly with Vermont nonprofit and municipal employers to the extent practicable.

(2) The Secretary of State shall assist the Commissioner of Labor in identifying and contacting all active Vermont nonprofit employers. The Office of the Secretary of State shall also make available on its website a link to the information and educational materials provided on the Department of Labor's website pursuant to this section.

(c) The Department of Labor, in collaboration with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall hold one or more informational sessions to present the materials and information developed pursuant to subsection (a) of this section to nonprofit employers and municipal employers. At least one session shall be held on or before November 1, 2023. Each session shall allow for both in-person and remote participation and shall be recorded. Recordings shall be made available to the public and to stakeholder organizations for distribution to their members.

Sec. 17. 2021 Acts and Resolves No. 183, Sec. 59(b)(6) is amended to read:

(6) Sec. 52g (prospective repeal of unemployment insurance benefit increase) shall take effect ~~upon the payment of a~~ when the cumulative ~~total~~

amount of additional benefits paid pursuant to 21 V.S.A. § 1338(e) ~~when,~~ compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2025 ~~equal to $92,000,000.00,~~ plus the ~~difference between $8,000,000.00 and the~~ amount of additional benefits paid ~~out~~ pursuant to section 52b~~, if any~~, compared to the amount that would have been paid pursuant to the provisions of 21 V.S.A. § 1338(f)(1) on June 30, 2022, equals $100,000,000.00 and shall apply to benefit weeks beginning after that date.

Sec. 18. UNEMPLOYMENT DUE TO URGENT, COMPELLING, OR NECESSITOUS CIRCUMSTANCES; COVERAGE; IMPACT; REPORT

(a) On or before January 15, 2024, the Commissioner of Labor shall submit a written report prepared in consultation with the Joint Fiscal Office to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential impact of extending eligibility for unemployment insurance benefits to individuals who separate from employment due to urgent, compelling, or necessitous circumstances, including the individual's injury or illness, to obtain or recover from medical treatment, to escape domestic or sexual violence, to care for a child following an unexpected loss of child care, or to care for an ill or injured family member.

(b) The report shall include:

(1) a list of states in which individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are eligible for unemployment insurance and shall identify the specific circumstances for separation from employment in each identified state for which there is no waiting period or period of disqualification related to the circumstance;

(2) information, to the extent it is available, regarding the number of approved claims in the states identified pursuant to subdivision (1) of this subsection where the individual separated from employment due to circumstances similar to those described in subsection (a) of this section;

(3) an estimate of the projected range of additional approved claims per year in Vermont if individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are made eligible for unemployment insurance;

(4) an estimate of the range of potential impacts on the Unemployment Insurance Trust Fund of making individuals who separate from employment

due to circumstances similar to those described in subsection (a) of this section eligible for unemployment insurance; and

(5) any recommendations for legislative action.

Sec. 19. DOMESTIC AND SEXUAL VIOLENCE SURVIVORS' TRANSITIONAL EMPLOYMENT PROGRAM; UTILIZATION; REPORT

On or before January 15, 2024, the Commissioner of Labor 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 the utilization of the Domestic and Sexual Violence Survivors' Transitional Employment Program. The report shall include information regarding the utilization of the Program during the past 10 years, a summary of the Department's efforts to make members of the public aware of the Program and improve access to it, how the identified changes have impacted utilization of the Program in comparison to prior years, any potential ways to further increase awareness and utilization of the Program, and any suggestions for legislative action to improve awareness or utilization of the Program.

Sec. 20. 21 V.S.A. § 1256 is added to read:

§ 1256. NOTIFICATION TO THE PUBLIC

The Department shall take reasonable measures to provide information to the public about the Program, including publishing information on the Department's website and providing timely materials related to the Program to public agencies of the State and organizations that work with domestic and sexual violence survivors, including law enforcement, State's Attorneys, community justice centers, the Center for Crime Victim Services, the Vermont Network Against Domestic and Sexual Violence (the Network), and any others deemed appropriate by the Commissioner in consultation with the Network.

* * * Effective Dates * * *

Sec. 21. EFFECTIVE DATES

(a) This section and Secs. 1 and 3 shall take effect on passage.

(b) Sec. 14 shall take effect on July 1, 2024.

(c) Secs. 7 and 9 shall take effect on July 1, 2028.

(d) The remaining sections shall take effect on July 1, 2023.

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

Senator Cummings, 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 Lyons, 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 Economic Development, Housing and General Affairs with the following amendment thereto:

By striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that investments in and policy changes to Vermont's child care and early learning system shall:

(1) increase access to and the quality of child care services and afterschool and summer care programs throughout the State;

(2) increase equitable access to and quality of prekindergarten education for children four years of age;

(3) provide financial stability to child care programs;

(4) stabilize Vermont's talented child care workforce;

(5) address the workforce needs of the State's employers;

(6) maintain a mixed-delivery system for prekindergarten, child care, and afterschool and summer care; and

(7) assign school districts with the responsibility of ensuring equitable prekindergarten access for children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten.

* * * Prekindergarten * * *

Sec. 2. PREKINDERGARTEN EDUCATION STUDY COMMITTEE; REPORT

(a) Creation. There is created the Prekindergarten Education Study Committee to make recommendations on how to improve and expand accessible, affordable, and high-quality prekindergarten education.

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

(1) the Secretary of Education or designee, who shall serve as chair;

(2) the Secretary of Human Services or designee;

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

(4) the Executive Director of the Vermont Superintendents Association or designee;

(5) the Executive Director of the Vermont School Board Association or designee;

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

(7) the Chair of the Vermont Council of Special Education Administrators or designee;

(8) the Executive Director of the Vermont Curriculum Leaders Association or designee;

(9) the Executive Director of Building Bright Futures or designee;

(10) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a licensed center-based child care and preschool program, appointed by the Speaker of the House;

(11) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a regulated family child care home, appointed by the Committee on Committees;

(12) the Head Start Collaboration Office Director or designee;

(13) the Executive Officer of Let's Grow Kids or designee; and

(14) a family representative with a prekindergarten-age child, appointed by the Building Bright Futures Council.

(c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations for expanding equitable access for all children three and four years of age in a manner that achieves the best outcomes for children, whether through the current mixed-delivery system, the public school system, the private prekindergarten system, or a system that allows school districts to contract with private providers. The Committee shall also examine and make recommendations on the changes necessary to provide prekindergarten education to all children three and four years of age through the public school

system, including a timeline and transition plan for such changes. In conducting its analysis, the Committee shall address the following topics and questions, which may yield distinct recommendations for children three and four years of age:

(1) Outcomes and quality.

(A) What are the benchmarks for "high quality" in prekindergarten education?

(B) How should best practices be implemented and measured across various prekindergarten education settings?

(2) Capacity and demand.

(A) How many children, by age, does the current mixed-delivery system have the capacity to serve? In studying this issue, the Committee shall consider the number of children on waitlists and the number of vacancies in programs.

(B) What are the workforce requirements to expand prekindergarten education? In studying this question, the Committee may consider:

(i) whether there is a gap between the total number of licensed teachers currently working and the number needed for expansion;

(ii) whether there is a gap between the total prekindergarten education workforce, including paraeducators, and the number needed for expansion; and

(iii) the educational and training costs associated with training and retaining the workforce necessary for expansion?

(C) If prekindergarten education in the public school system is provided solely to children four years of age, what is the impact on the capacity and workforce of private prekindergarten providers?

(D) If prekindergarten education for children who are four years of age is provided exclusively through the public school system, how will infant capacity in private child care providers be impacted?

(E) Are there areas of the State where prekindergarten education can be more effectively and conveniently furnished in an adjacent state due to geographic considerations?

(3) Special education.

(A) How many children three and four years of age are currently on individual education programs receiving services in public and private

settings?

(B) Are children three and four years of age on individual education plans receiving the full range of services that they are entitled to?

(C) Does the availability or cost of special education services vary between private and public prequalified providers?

(4) Public school expansion.

(A) What infrastructure changes are necessary to expand prekindergarten education?

(B) How would the current prekindergarten education mixed-delivery system transition to a program within the public school system?

(C) What capacity needs to be built for developmentally appropriate afterschool and out-of-school-time care?

(D) Are changes needed to existing health and safety standards for public schools to accommodate children three and four years of age?

(5) Funding and costs.

(A) What are fiscally strategic options to sustain and expand universal prekindergarten education?

(B) What is the financial and business impact on regulated private child care providers if the prekindergarten system transitions to public schools or is expanded beyond the current 10-hour program?

(C) What, if any, changes need to be made to pupil weights for prekindergarten students?

(D) What, if any, changes need to be made to tuition rates for private prekindergarten programs?

(6) Oversight.

(A) What additional Agency of Education personnel or resources would be needed to oversee an expansion of the current prekindergarten education system under either a mixed-delivery model, a public school system model, or a system that allows school districts to contract with private providers?

(B) What additional Agency of Human Services personnel or resources would be needed to oversee an expansion of the current mixed-delivery model or a private prekindergarten system?

(C) Whether additional leadership capacity is needed at the Agency of Education to address early childhood education, and if so, how should the

leadership capacity be expanded?

(d) Assistance. The Committee shall have the administrative, technical, fiscal, and legal assistance of the Agencies of Education and of Human Services. If the Agencies are unable to provide the Committee with adequate support to assist with its technical, fiscal, or legal needs, then the Agency of Education shall retain a contractor with the necessary expertise to assist the Committee.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare with its findings and recommendations based on the analysis conducted pursuant to subsection (c) of this section. The report shall include draft legislative language to support the Committee's recommendations.

(f) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Committee to occur on or before July 15, 2023.

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

(3) The Committee shall cease to exist on February 1, 2024.

(g) Compensation and reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than 10 meetings per year. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

(1) The sum of $5,000.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for per diem compensation and reimbursement of expenses for members of the Committee.

(2) The sum of $100,000.000 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for the cost of retaining a contractor as provided under subsection (d) of this section.

(3) Any unused portion of these appropriations shall, as of July 1, 2024, revert to the General Fund.

Sec. 2a. PREKINDERGARTEN EDUCATION MODEL CONTRACT

On or before December 1, 2024, the Agency of Education, in consultation

with the members of the Prekindergarten Education Implementation Committee and other relevant stakeholders, shall develop a model contract for school districts to use for contracting with private providers for prekindergarten education services. The model contract shall include:

(1) an antidiscrimination provision that requires compliance with the Vermont Public Accommodations Act, 9 V.S.A. chapter 139, and the Vermont Fair Employment Practices Act, 21 V.S.A. chapter 5, subchapter 6; and

(2) requirements for the provision of special education services.

Sec. 2b. PREKINDERGARTEN PUPIL WEIGHT; REPORT

On or before December 1, 2023, the Agency of Education, in consultation with the Prekindergarten Education Implementation Committee, shall analyze and issue a written report to the General Assembly regarding whether the cost of educating a prekindergarten student is the same as educating a kindergarten student in the context of a full school day. The report shall include a detailed analysis, recommendation, and implementation plan for the sufficient weight to apply to prekindergarten students, in alignment with the weights under current law, for the purposes of determining weighted long-term membership of a school district under 16 V.S.A. § 4010. The report shall include draft legislative language to support the recommended prekindergarten pupil weight and implementation plan.

Sec. 2c. AGENCY OF EDUCATION DATA COLLECTION AND SHARING

On or before August 1, 2023, the Agency of Education shall collect and share the following data with the Joint Fiscal Office:

(1) The number of weighted pupils, which shall not be adjusted by the equalization ratio, for fiscal year 2024:

(A) using weights in effect on July 1, 2023 at both the statewide and district levels; and

(B) using weights in effect on July 1, 2024 at both the statewide and district levels.

(2) The following data, by school district:

(A) the total resources needed to operate a public prekindergarten education program that would serve each prekindergarten child in the district;

(B) the number of prekindergarten children by year of age;

(C) the total education spending and other funds spent in fiscal year 2023 for children attending public prekindergarten education programs;

(D) the total education spending and other funds spent in fiscal year 2023 for prekindergarten children receiving prekindergarten education through a prequalified private provider to whom the district pays tuition;

(E) if the school district operates a public prekindergarten education program:

(i) the number of hours and slots offered in the public prekindergarten education program;

(ii) the number of students residing in the district enrolled in the public prekindergarten education program;

(iii) the number and cost of students residing in the district enrolled in a prequalified private provider for whom the district pays tuition for prekindergarten education; and

(iv) the number of students enrolled in the public prekindergarten education program who reside outside the district and the corresponding revenues associated with the nonresident student tuition; and

(F) if the school district does not operate a prekindergarten education program:

(i) the number of hours of prekindergarten education provided to each prekindergarten child; and

(ii) the tuition costs for prekindergarten children.

Sec. 3. [Deleted.]

* * * Agency of Education * * *

Sec. 4. PLAN; AGENCY OF EDUCATION LEADERSHIP

On or before November 1, 2025, the Agency of Education shall submit a plan to the House Committees on Education and on Human Services and to the Senate Committees on Education and on Health and Welfare for the purpose of elevating the status of early education within the Agency in accordance with the report produced pursuant to 2021 Acts and Resolves No, 45, Sec. 13. The plan shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency and Department for Children and Families.

* * * Child Care and Child Care Subsidies * * *

Sec. 5. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

(4) ~~After September 30, 2021, a regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home~~ Nothing in this subsection shall preclude a child care provider from establishing tuition rates that are lower than the provider reimbursement rate in the Child Care Financial Assistance Program.

* * *

Sec. 5a. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to ~~150~~ 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~350~~ 400 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal

poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

Sec. 5b. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

(5) The Department shall ensure that applications for the Child Care Financial Assistance Program use a simple, plain-language format. Applications shall be available in both electronic and paper formats and shall comply with the Office of Racial Equity's most recent Language Access Report.

(6) A Vermont resident who has a citizenship status that would otherwise exclude the resident from participating in the Child Care Financial Assistance Program shall be served under this Program, provided that the benefit for these residents is solely State-funded. The Department shall not retain data on the citizenship status of any applicant or participant once a child is no longer participating in the program, and it shall not request the citizenship status of any members of the applicant's or participant's family. Any records created pursuant to this subsection shall be exempt from public inspection and copying under the Public Records Act.

* * *

Sec. 5c. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking

employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~400~~ 575 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

Sec. 5d. FISCAL YEAR 2024; FAMILY CONTRIBUTION

In fiscal year 2024, a weekly family contribution for participants in the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513 shall begin at $50.00 for families at 176 percent of the federal poverty level and increase for families at a higher percentage of the federal poverty level as determined by the Department.

Sec. 6. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) It is the intent of the General Assembly that:

(1) the provider rate adjustment recommended in this section shall be an initial step toward implementing a professional pay scale; and

(2) programs use funds to elevate quality through higher compensation for staff, curriculum implementation, staff professional development, and improvements to learning environments.

(b)(1) On January 1, 2024, the Department for Children and Families shall provide an adjustment to the base child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided

by center-based child care and preschool programs, family child care homes, and afterschool and summer care programs. The adjusted reimbursement rate shall account for the age of the children served and be 35 percent higher than the fiscal year 2023 five-STAR reimbursement rate in the Vermont STARS system. All providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a regulated child care center and preschool program, regulated family child care home, or afterschool or summer care program.

(2) The provider rate adjustment established in this section shall become part of the base budget in future fiscal years.

Sec. 7. APPROPRIATION; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) In addition to fiscal year 2024 funds appropriated for the Child Care Financial Assistance Program in other acts, in fiscal year 2024, $47,800,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for:

(1) the program eligibility expansion in Sec. 5a of this act; and

(2) the fiscal year 2024 provider rate adjustment in Sec. 6 of this act.

(b)(1) In addition to fiscal year 2024 funds appropriated for the administration of the Department for Children and Families' Child Development Division in other acts, in fiscal year 2024, $4,000,000.00 is appropriated from the General Fund to the Division to administer adjustments to the Child Care Financial Assistance Program required by this act through the authorization of the following 11 new permanent classified positions within the Division:

(A) one Business Applications Support Manager;

(B) one Licensing Field Specialist I;

(C) two Child Care Business Techs;

(D) one Administrative Services Coordinator II;

(E) one Program Integrity Investigator;

(F) one Grants and Contracts Manager – Compliance;

(G) one Business Application Support Specialist;

(H) one Communications and Outreach Coordinator;

(I) one Financial Manager II; and

(J) one Grants and Contracts Manger.

(2) The Department may seek permission from the Joint Fiscal Committee to replace a position authorized in this subsection with an alternative position.

(3) The Division shall allocate at least $2,000,000.00 of the amount appropriated in this subsection to the Community Child Care Support Agencies.

Sec. 8. READINESS PAYMENTS; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a)(1) In fiscal year 2024, $20,000,000.00 is appropriated one time from the General Fund to the Department for Children and Families' Child Development Division for the purpose of providing payments to child care providers, as defined in 33 V.S.A. § 3511, delivering child care services to children, in preparation of the Child Care Financial Assistance Program eligibility expansion in Sec. 5a of this act and for the fiscal year 2024 provider rate adjustment in Sec. 6 of this act. Readiness payments may be used for the following:

(A) increasing capacity for infants and toddlers;

(B) expanding the number of family child care homes;

(C) improving child care facilities;

(D) preparing private prequalified providers for future changes in the prekindergarten system;

(E) expanding hours of operation to provide full-day, full-week child care services;

(F) addressing gaps in services and expanding capacity;

(G) increasing workforce capacity, including signing and retention bonuses; and

(H) any other uses approved by the Commissioner.

(2) Of the funds appropriated in subdivision (1) of this subsection, up to five percent may be used to contract with a third party to provide technical assistance to child care providers to build or maintain capacity and to provide information on the opportunities and requirements of this act.

(b) In administering the readiness payment program established by this section, the Division shall utilize the Agency of Administration bulletin pertaining to beneficiaries in effect on May 1, 2023. The Division may either use the same distribution framework used to distribute Child Care Development Block Grant funds in accordance with the American Rescue Plan

Act of 2021 or it may utilize an alternative distribution framework.

(c) The Commissioner shall provide a status report on the distribution of readiness payments to the Joint Fiscal Committee at its November 2023 meeting.

Sec. 9. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. ~~Payments established under this section shall reflect the following considerations: whether the provider operates a licensed child care facility or a registered family child care home, type of service provided, cost of providing the service, and the prevailing market rate for comparable service.~~

The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program.

(2) Payments shall be based on enrollment ~~status or any other basis agreed to by the provider and the Division~~. The Department, in consultation with the Office of Racial Equity and stakeholders, shall adopt rules pursuant to 3 V.S.A. chapter 25 that define "enrollment" and the total number of allowable absences to continue participating in the Child Care Financial Assistance Program. The Department shall minimize itemization of absence categories.

(b) The Commissioner may establish a separate payment schedule for child care providers who have received specialized training, approved by the Commissioner, relating to protective or family support services.

(c)~~(1) The payment schedule established by the Commissioner may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey.~~

~~(2) The payment schedule shall include reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program. The lower limit of the reimbursement rate caps shall be not less than the 50th percentile of all reported rates for the same provider setting in each rate category.~~ [Repealed.]

Sec. 9a. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program. The adjusted reimbursement rate shall then be adjusted to account for the differential between family child care homes and center-based child care and preschool programs by 50 percent. The rate used to reimburse providers shall be increased over the previous year's rate annually in alignment with the most recent annual average wage growth for NAICS code 611, Educational Services, not to exceed five percent.

* * *

Sec. 9b. REPORT; ADJUSTMENT OF CHILD CARE FINANCIAL ASSISTANCE PROGRAM RATES

On or before January 15, 2024, the Department for Children and Families' Child Development Division, in collaboration with the Joint Fiscal Office, shall submit a report to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare providing recommendations on:

(1) the appropriate mechanism for adjusting future reimbursement rates for child care providers participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513;

(2) the appropriate reimbursement rate in fiscal years 2025 and 2026 for child care providers participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513; and

(3) the appropriate family contribution in fiscal years 2025 and 2026 for families participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513.

Sec. 10. 33 V.S.A. § 3515 is added to read:

§ 3515. CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

(a) The Commissioner shall establish a child care quality and capacity

incentive program for child care providers participating in the Child Care Financial Assistance Program pursuant to sections 3512 and 3513 of this title. Annually, consistent with funds appropriated for this purpose, the Commissioner may provide a child care provider with an incentive payment for the following achievements:

(1) achieving a higher level in the quality rating and improvement system, including increasing access to and provision of culturally competent care and multilingual programming and providing other family support services similar to those provided in approved Head Start programs;

(2) increasing infant and toddler capacity;

(3) maintaining existing infant and toddler capacity;

(4) establishing capacity in regions of the State that are identified by the Commissioner as underserved;

(5) providing nonstandard hours of child care services;

(6) completing a Commissioner-approved training on protective or family support services; and

(7) other quality- or capacity-specific criteria identified by the Commissioner.

(b) The Commissioner shall maintain a current incentive payment schedule on the Department's website.

Sec. 10a. LEGISLATIVE INTENT; CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

It is the intent of the General Assembly that in fiscal year 2025 and in future fiscal years, at least $10,000,000.00 is appropriated for the child care quality and capacity incentive program established in 33 V.S.A. § 3515.

Sec. 11. 33 V.S.A. § 3516 is added to read:

§ 3516. CHILD CARE WAITLIST AND APPLICATION FEES

A child care provider shall not charge an application or waitlist fee for child care services where the applying child qualifies for the Child Care Financial Assistance Program pursuant to section 3512 or 3513 of this title. A child care provider shall reimburse an individual who is charged an application or waitlist fee for child care services if it is later determined that the applying child qualified for the Child Care Financial Assistance Program at the time the fee or fees were paid.

Sec. 12. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. 12a. 33 V.S.A. § 3518 is added to read:

§ 3518. CHILD CARE PROVIDER OWNERSHIP DISCLOSURE

(a) As used in this section:

(1) "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) "Applicant" means a person that applies to be eligible to receive State funding for child care services pursuant to a provider rate agreement.

(3) "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.

(4) "Owner" means a person who controls an applicant.

(5) "Principal" means one of the following:

(A) the president, vice president, secretary, treasurer, manager, or similar officer of a corporation as provided for by 11A V.S.A. § 8.40, nonprofit corporation as provided for by 11B V.S.A. § 8.40, mutual benefit enterprise as provided for by 11C V.S.A. § 822, cooperative as provided for by 11 V.S.A. § 1013, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;

(B) a director of a corporation as provided for by 11A V.S.A. § 8.01, nonprofit corporation as provided for by 11B V.S.A. § 8.01, mutual benefit enterprise as provided for by 11C V.S.A. § 801, cooperative as provided for by 11 V.S.A. § 1006, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;

(C) a member of a member-managed limited liability company as provided for by 11 V.S.A. § 4054;

(D) a manager of a manager-managed limited liability company as provided for by 11 V.S.A. § 4054; or

(E) a partner of a partnership as provided for by 11 V.S.A. § 3212 or a general partner of a limited partnership as provided for by 11 V.S.A. chapter 23.

(b) Disclosure. The Department shall adopt procedures to require each applicant to disclose, prior to entering a provider rate agreement:

(1) the type of business organization of the applicant;

(2) the identity of the applicant's owners and principals; and

(3) the identity of the owners and principals of the applicant's affiliates.

Sec. 12b. 33 V.S.A. § 3519 is added to read:

§ 3519. DIVERSITY, EQUITY, AND INCLUSION

The Department shall consult with the Office of Racial Equity in preparing all public materials and trainings related to the Child Care Financial Assistance Program.

Sec. 13. RULEMAKING; PROGRAM DIRECTORS

(a) The Department for Children and Families shall amend the following rules pursuant to 3 V.S.A. chapter 25 to require that a program director is present at the child care facility that the program director operates at least 40 percent of the time that children are present:

(1) Department for Children and Families, Licensing Regulations for Afterschool and Child Care Programs (CVR 13-171-003); and

(2) Department for Children and Families, Licensing Regulations for Center-Based Child Care and Preschool Programs (CVR 13-171-004).

(b) The Department shall review and consider amending its:

(1) rule prohibiting a person or entity registered or licensed to operate a family child care home from concurrently operating a center-based child care and preschool program or afterschool and summer care program; and

(2) eligibility policies addressing self-employment and other areas of specialized need on a regular basis and revise them consistent with research on best practices in the field to maximize participation in the program and minimize undue burden on families applying for the Child Care Financial Assistance Program.

* * * Report * * *

Sec. 14. REPORT; BACKGROUND CHECKS

On or before January 15, 2024, the Vermont Crime Information Center, in collaboration with the Agency of Education and the Department for Children and Families, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a recommendation to streamline and improve the timeliness of the background check process for child care and early education providers who are required to complete two separate background checks.

Sec. 15. [Deleted.]

* * * Special Accommodations Grant * * *

Sec. 16. PLAN; SPECIAL ACCOMMODATIONS GRANT

On or before July 1, 2024, the Department for Children and Families' Child Development Division, in consultation with stakeholders, shall develop and submit an implementation plan to the House Committee on Human Services and to the Senate Committee on Health and Welfare to streamline and improve the responsiveness and effectiveness of the application process for special accommodation grants, including:

(1) implementing a 12-month or longer grant cycle option for eligible populations;

(2) improving support and training for providing inclusive care for children with special needs;

(3) determining how to better meet the early learning needs of children with disabilities within a child care setting; and

(4) any other considerations the Department deems essential to the goal of streamlining the application process for special accommodation grants.

* * * Workforce Supports * * *

Sec. 17. 2021 Acts and Resolves No. 45, Sec. 8 is amended to read:

Sec. 8. REPEALS

(a) ~~33 V.S.A. § 3541(d) (reference to student loan repayment assistance program) is repealed on July 1, 2026.~~ [Repealed.]

(b) 33 V.S.A. § 3542 (scholarships for prospective early childhood providers) is repealed on July 1, 2026.

(c) ~~33 V.S.A. § 3543 (student loan repayment assistance program) is repealed on July 1, 2026.~~ [Repealed.]

* * * Transitional Assistance and Governance * * *

Sec. 18. CHILD CARE; ADMINISTRATIVE SERVICE ORGANIZATIONS

On or before February 15, 2024, the Department for Children and Families shall provide a presentation to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the feasibility of and any progress towards establishing administrative service organizations for child care providers.

Sec. 19. 33 V.S.A. § 4605 is added to read:

§ 4605. TECHNICAL ASSISTANCE; ACCOUNTABILITY

In order to ensure the successful implementation of expanded child care, prekindergarten, and afterschool and summer care, Building Bright Futures shall be responsible for monitoring accountability, supporting stakeholders in collectively defining and measuring success, maximizing stakeholder engagement, and providing technical assistance to build capacity for the Department for Children and Families' Child Development Division and the Agency of Education. Specifically, Building Bright Futures shall:

(1) ensure accountability through monitoring transitions over time and submitting a report with the results of this work on January 15 of each year to the House Committee on Human Services and to the Senate Committee on Health and Welfare; and

(2) define and measure success of expanded child care, prekindergarten, and afterschool and summer care related to process, implementation, and outcomes using a continuous quality improvement framework and engage public, private, legislative, and family partners to develop benchmarks pertaining to:

(A) equitable access to high-quality child care;

(B) equitable access to high-quality prekindergarten;

(C) equitable access to high-quality afterschool and summer care;

(D) stability of the early child care education workforce;

(E) workforce capacity and needs of the child care, prekindergarten, afterschool and summer care systems; and

(F) the impact of this act on a mixed-delivery system for prekindergarten, child care, and afterschool and summer care.

Sec. 20. APPROPRIATION; BUILDING BRIGHT FUTURES

Of the funds appropriated in Sec. 7(b) (appropriation; child care financial

assistance program) of this act, the Department for Children and Families shall allocate $266,707.00 to Building Bright Futures for the purpose of implementing its duties under 33 V.S.A. § 4605. This amount shall become part of the Department's base for the purpose of supporting Building Bright Future's work pursuant to 33 V.S.A. § 4605.

Sec. 21. PLAN; DEPARTMENT FOR CHILDREN AND FAMILIES; GOVERNANCE

(a) On or before November 1, 2025, the Secretary of Human Services shall submit an implementation plan to the House Committees on Appropriations, on Government Operations and Military Affairs, and on Human Services and to the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare regarding the reorganization of the Department for Children and Families to increase responsiveness to Vermonters and elevate the status of child care and early education within the Agency of Human Services. The implementation plan shall be consistent with the goals of the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 13. It shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency of Education and Agency of Human Services.

(b) The implementation plan required pursuant to this section shall contain any legislative language required for the division of the Department.

Sec. 22. [Deleted.]

* * * Child Care Provider Wages * * *

Sec. 23. PROVIDER COMPENSATION AND TOTAL COST OF CARE; RECOMMENDATIONS

(a) On or before November 1, 2023, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare addressing the following:

(1) whether and how to integrate a tiered professional pay scale for professionals who provide child care services as part of the Child Care Financial Assistance Program;

(2) the structure of tiered professional pay scales for professionals who provide child care services that have been implemented in other jurisdictions, including in New Mexico and the District of Columbia; and

(3) the appropriate legal mechanism to implement any approved tiered professional pay scale for professionals who provide child care services, including consideration of statute, rule, departmental guidance, or some other appropriate mechanism.

(b) On or before November 1, 2024, the Department for Children and Families, in consultation with the Department of Labor, the Agency of Education, Building Bright Futures, and the Vermont Association for the Education of Young Children, shall submit to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) A tiered professional pay scale for professionals who provide child care services as defined in 33 V.S.A. § 3511 that is designed to provide professionals who provide child care services with compensation comparable to that received by early childhood educators in Vermont's public school system who serve children from prekindergarten through grade three. The tiered professional pay scale shall account for professionals' credentialing and professional child care experience and shall include the addition of an appropriate fringe benefit rate. In developing the tiered professional pay scale, the Department for Children and Families shall refer to the child care and early childhood education financing study required pursuant to 2021 Acts and Resolves No. 45, Sec. 14.

(2) A formula to calculate the total cost of care to serve children in a regulated child care facility as defined in 33 V.S.A. § 3511.

Sec. 24. [Deleted.]

* * * Child Care Contribution * * *

Sec. 25. 32 V.S.A. chapter 246 is added to read:

CHAPTER 246. CHILD CARE CONTRIBUTION

§ 10551. PURPOSE

The Child Care Contribution is established to provide funding for the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3517.

§ 10552. DEFINITIONS

As used in this chapter:

(1) "Covered wages" means wages paid to an employee by an employer up to two times the amount of the Social Security Contribution and Benefit Base.

(2) "Employee" means an individual who receives payments with respect to services performed for an employer from which the employer is required to withhold Vermont income tax pursuant to chapter 151, subchapter 4 of this title.

(3) "Employer" means a person who employs one or more employees who is required to withhold income tax from wages paid to the employees pursuant to chapter 151, subchapter 4 of this title.

(4) "Self-employed individual" means a sole proprietor or partner owner of an unincorporated business, the sole member of a limited liability company, or the sole shareholder of a corporation.

(5) "Self-employment income" has the same meaning as in 26 U.S.C. § 1402.

(6) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

§ 10553. CONTRIBUTION; RATE; COLLECTION

(a)(1) Each employer shall pay the Child Care Contribution on all covered wages paid to each of the employer's employees and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. An employer may deduct and withhold from an employee's covered wages an amount equal to not more than one quarter of the contribution required pursuant to subsection (b) of this section. An employer shall pay the contributions required pursuant to this section as if the contributions were Vermont income tax subject to the withholding requirements of chapter 151, subchapter 4 of this title, including the requirements relating to the time and manner of payment.

(2) Each self-employed individual shall pay the Child Care Contribution on self-employment income earned by the individual up to two times the amount of the Social Security Contribution and Benefit Base and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. A self-employed individual shall make installment payments of estimated contributions pursuant to this subdivision from the enrolled self-employed individual's self-employment income as if the contributions were Vermont income tax subject to the estimated payment requirements of 32 V.S.A. chapter 151, subchapter 5, including the time and manner of payment.

(b) The contribution rate shall be 0.43 percent of each employee's covered wages and each self-employed individual's self-employment income.

(c)(1) The Department shall collect the contributions required pursuant to this section. The administrative and enforcement provisions of chapter 151 of

this title shall apply to the contribution requirements under this section as if the contributions required pursuant to this section were Vermont income tax, except penalty and interest shall apply according to chapter 103 of this title.

(2) Employers shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(1) of this section. Self-employed individuals shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(2) of this section.

§ 10554. CHILD CARE CONTRIBUTION SPECIAL FUND

(a) The Child Care Contribution Special Fund is created pursuant to chapter 7, subchapter 5 of this title and shall be administered by the Department for Children and Families and the Department of Taxes. Monies in the Fund may be expended by the Department of Taxes for the administration of the Child Care Contribution created under this chapter, by the Department for Children and Families for benefits provided by the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3517, and by the Departments for necessary costs incurred in administering the Fund. All interest earned on Fund balances shall be credited to the Fund.

(b) The Fund shall consist of:

(1) contributions collected or recovered pursuant to section 10553 of this title;

(2) any amounts transferred or appropriated to the Fund by the General Assembly; and

(3) any interest earned by the Fund.

(c) The Departments may seek and accept grants from any source, public or private, to be dedicated for deposit into the Fund.

Sec. 26. CHILD CARE CONTRIBUTION POSITIONS AND APPROPRIATION

(a) The establishment of the following 15 new permanent classified positions is authorized in the Department of Taxes in fiscal year 2024:

(1) eight full-time, classified tax examiners within the Taxpayer Services Division;

(2) two full-time, classified tax examiners within the Compliance Division;

(3) three full-time, classified tax compliance officers within the Compliance Division;

(4) one full-time, classified financial specialist III within the Revenue Accounting and Returns Processing Division; and

(5) one business analyst–tax within the VTax Division.

(b) In fiscal year 2024, the amount of $4,200,00.00 is appropriated from the General Fund to the Department of Taxes to be used for the implementation of the Child Care Contribution pursuant to 32 V.S.A. chapter 246 created by this act.

* * * Workers' Compensation * * *

Sec. 27. WORKERS' COMPENSATION RATE OF CONTRIBUTION

For fiscal year 2024, after consideration of the formula in 21 V.S.A. § 711(b) and historical rate trends, the General Assembly determines that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall be 1.5 percent. The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

Sec. 28. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

* * *

(b)(1) Annually, the General Assembly shall establish the rate of contribution for the direct calendar year premium for workers' compensation insurance. The rate shall equal the amount approved in the appropriations process for the program and the Department's projection of salary and benefit increases for that fiscal year, less the amount collected in the prior calendar year under subsection (a) of this section from self-insured workers' compensation losses and from corporations approved under this chapter, adjusted by any balance in the fund from the prior fiscal year, divided by the total direct calendar year premium for workers' compensation insurance for the prior year.

(2) In the event that the General Assembly does not establish the rate of contribution for the direct calendar year premium for workers' compensation insurance for a given fiscal year, the rate shall remain unchanged from the prior fiscal year.

Sec. 29. 2014 Acts and Resolves No. 199, Sec. 54b is amended to read:

Sec. 54b. 21 V.S.A. § 643a is added to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of 14 days. The objection to the discontinuance shall be specific as to the reasons and include supporting evidence. A copy of the objection shall be provided to the employer at the time the request is made to the Commissioner. ~~Those~~ The payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 30. 21 V.S.A. § 640b is amended to read:

§ 640b. REQUEST FOR PREAUTHORIZATION TO DETERMINE IF PROPOSED ~~TREATMENT IS~~ BENEFITS ARE NECESSARY

(a) As used in this section, "benefits" means medical treatment and surgical, medical, and nursing services and supplies, including prescription drugs and durable medical equipment.

(b) Within 14 days ~~of~~ after receiving a written request for preauthorization for ~~a~~ proposed ~~medical treatment~~ benefits and medical evidence supporting the requested ~~treatment~~ benefits, a workers' compensation insurer shall do one of the following, in writing:

(1) ~~authorize~~ Authorize the ~~treatment~~ benefits and notify the health care provider, the injured worker, and the Department~~; or~~.

(2)~~(A) deny~~ Deny the ~~treatment~~ benefits because the entire claim is disputed and the Commissioner has not issued an interim order to pay benefits~~; or~~. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny benefits.

~~(B)~~(3) ~~deny~~ Deny the ~~treatment~~ benefits if, based on a preponderance of credible medical evidence specifically addressing the proposed ~~treatment~~ benefits, ~~it is~~ the benefits are unreasonable ~~or~~, unnecessary, or unrelated to the work injury. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny ~~treatment; or~~ benefits.

~~(3)~~(4) ~~notify~~ Notify the health care provider, the injured worker, and the Department that the insurer has scheduled an examination of the employee pursuant to section 655 of this title or ordered a medical record review pursuant to section ~~655~~ 655a of this title. Based on the examination or review, the insurer shall authorize or deny the ~~treatment~~ benefits and notify the Department and the injured worker of the decision within 45 days ~~of~~ after a request for preauthorization. The Commissioner may, in ~~his or her~~ the Commissioner's sole discretion, grant a 10-day extension to the insurer to authorize or deny ~~treatment~~ benefits, and such an extension shall not be subject to appeal.

~~(b)~~(c) If the insurer fails to authorize or deny the ~~treatment~~ benefits pursuant to subsection ~~(a)~~ (b) of this section within 14 days ~~of~~ after receiving a request, the claimant or health care provider may request that the Department issue an order authorizing ~~treatment~~ benefits. After receipt of the request, the Department shall issue an interim order within five days after notice to the insurer, and five days in which to respond, absent evidence that the entire claim is disputed. Upon request of a party, the Commissioner shall notify the parties that the ~~treatment has~~ benefits have been authorized by operation of law.

~~(c)~~(d) If the insurer denies the preauthorization of the ~~treatment~~ benefits pursuant to subdivision (a)(2) ~~or~~, (3), or (4) of this section, the Commissioner

may, on ~~his or her~~ the Commissioner's own initiative or upon a request by the claimant, issue an order authorizing the ~~treatment~~ benefits if ~~he or she~~ the Commissioner finds that the evidence shows that the ~~treatment is~~ benefits are reasonable, necessary, and related to the work injury.

Sec. 31. 21 V.S.A. § 643d is added to read:

§ 643d. WORK SEARCH; REQUIREMENTS; EXCEPTIONS

(a) An employer may require an employee who is receiving temporary disability benefits pursuant to section 646 of this chapter to engage in a good faith search for suitable work if:

(1) the injured employee is medically released to return to work, either with or without limitations;

(2) the employer has provided the injured employee with written notification that the employee is medically released to return to work and the notification describes any applicable limitations; and

(3) the employer cannot offer the injured employee work that the employee is medically released to do.

(b) An injured employee shall not be required to engage in a good faith search for suitable work if the employee:

(1) is already employed; or

(2) has been referred for or is scheduled to undergo one or more surgical procedures.

(c) An employer shall not require an injured employee to contact more than three employers per week as part of a good faith work search performed pursuant to this section.

Sec. 32. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

(a)(1) Where the disability for work resulting from an injury is partial, ~~during the disability and~~ beginning on the eighth day ~~thereof~~ of the period of disability, the employer shall pay the injured employee a weekly compensation equal to the greater of:

(A) the difference between the amount the injured employee would be eligible to receive pursuant to section 642 of this chapter, including any applicable cost of living adjustment or dependency benefits that would be due, and the wage the injured employee earns during the period of disability; and

(B) two-thirds of the difference between ~~his or her~~ the injured employee's average weekly wage before the injury and the ~~average weekly wage which he or she is able to earn thereafter~~ amount the employee earns during the period of disability.

(2) Compensation paid pursuant to this subsection shall be adjusted on the first July 1 following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

Sec. 33. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

* * *

(b)~~(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.~~

~~(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.~~ [Repealed.]

Sec. 34. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

(a)(1) Where the injury causes total disability for work, during ~~such~~ the disability, but not including the first three days~~,~~ with the day of the accident to be counted as the first day~~,~~ unless the employee received full wages for that day, the employer shall pay the injured employee a weekly compensation equal to two-thirds of the employee's average weekly wages~~, but~~.

(2) The weekly compensation shall be in an amount that is not more than the maximum nor less than the minimum weekly compensation.

(3) Compensation paid pursuant to this subsection shall be adjusted on the first July 1 following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition~~, the injured employee, during the disability period shall receive $10.00 a~~ to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child who is ~~unmarried and~~ under ~~the age of~~ 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children. ~~However, in no event shall an~~

(2) The amount allowed for the dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

(c) Notwithstanding any provision of subsection (a) or (b) of this section to the contrary:

(1) An employee's total weekly wage replacement benefits, including any payments for a dependent child, shall not exceed 90 percent of the employee's average weekly wage prior to applying any applicable cost of living adjustment. ~~The amount allowed for dependent children shall be increased or decreased weekly to reflect the number of dependent children extant during the week of payment.~~

(2) If the total disability continues after the third day for a period of seven consecutive calendar days or more, compensation shall be paid for the whole period of the total disability.

Sec. 35. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

* * *

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability ~~$20.00~~ $10.00 per week for each dependent child who is under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

* * *

Sec. 36. DEPENDENT BENEFIT INCREASE; IMPACT; REPORT

On or before January 15, 2027, the Commissioner of Labor, in consultation

with the Commissioner of Financial Regulation, shall submit a written report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding the impact of the increase in the dependent benefit enacted pursuant to Secs. 32 and 34 of this act on the workers' compensation system. The report shall include an estimate of the number of claims that have received additional benefits as a result of the increase and the additional cost to the workers' compensation system of the additional dependent benefits.

Sec. 37. 21 V.S.A. § 650 is amended to read:

§ 650. PAYMENT; AVERAGE WAGE; COMPUTATION

* * *

(d)(1) Compensation computed pursuant to this section shall be adjusted annually on July 1, so that ~~such~~ the compensation continues to bear the same percentage relationship to the average weekly wage in the State ~~as computed under this chapter~~ as it did at the time of injury.

(2) Temporary total or temporary partial compensation shall first be adjusted on the first July 1 following the receipt of 26 weeks of benefits.

(3) Permanent total and permanent partial compensation shall be adjusted for each July 1 following the date of injury regardless of whether indemnity benefits were paid on each intervening July 1.

(e)(1) If weekly compensation benefits or weekly accrued benefits are not paid within 21 days after becoming due and payable pursuant to an order of the Commissioner, or in cases in which the overdue benefit is not in dispute, 10 percent of the overdue amount shall be added and paid to the employee, in addition to any amounts due pursuant to subsection (f) of this section and interest and any other penalties.

(2) In the case of an initial claim, benefits are due and payable upon entering into an agreement pursuant to subsection 662(a) of this title, upon issuance of an order of the Commissioner pursuant to subsection 662(b) of this title, or if the employer has not denied the claim within 21 days after the claim is filed.

(3) Benefits are in dispute if the claimant has been provided actual written notice of the dispute within 21 days ~~of~~ after the benefit being due and payable and the evidence reasonably supports the denial.

(4) Interest shall accrue and be paid on benefits that are found to be compensable during the period of nonpayment.

(5) The Commissioner shall promptly review requests for payment under this section and, consistent with subsection 678(d) of this title, shall allow for the recovery of reasonable attorney's fees associated with an employee's successful request for payment under this subsection.

(f)(1)(A) When benefits have been awarded or are not in dispute as provided in subsection (e) of this section, the employer shall establish a weekday on which payment shall be mailed or deposited and notify the claimant and the Department of that day. The employer shall ensure that each weekly payment is mailed or deposited on or before the day established.

(B) Payment shall be made by direct deposit to a claimant who elects that payment method. The employer shall notify the claimant of ~~his or her~~ the claimant's right to payment by direct deposit.

(2) If the benefit payment is not mailed or deposited on the day established, the employer shall pay to the claimant a late fee of $10.00 or five percent of the benefit amount, whichever is greater, for each weekly payment that is made after the established day.

(3) As used in this subsection, "paid" means the payment is mailed to the claimant's mailing address or, in the case of direct deposit, transferred into the designated account. In the event of a dispute, proof of payment shall be established by affidavit.

Sec. 38. 21 V.S.A. § 678 is amended to read:

§ 678. COSTS; ATTORNEY'S FEES

(a) ~~Necessary costs of proceedings under this chapter, including deposition expenses, subpoena fees, and expert witness fees, shall be assessed by the Commissioner against the employer or its workers' compensation carrier when the claimant prevails. The Commissioner may allow the claimant to recover reasonable attorney's fees when the claimant prevails.~~ Costs shall not be taxed or allowed either party except as provided in this section.

(b)(1) When a claimant prevails in either a formal or informal proceeding under this chapter, the Commissioner shall award the claimant necessary costs incurred in relation to the proceeding, including deposition expenses, subpoena fees, and expert witness fees.

(2) The Commissioner may allow a claimant to recover reasonable attorney's fees when the claimant prevails.

(3) In cases for which a formal hearing is requested and the case is resolved prior to a formal hearing:

(A) the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the attorney's efforts; and

(B) the Commissioner shall award necessary costs if the claimant incurred the costs in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the costs incurred.

(c)(1) In appeals to the Superior or Supreme Court, if the claimant prevails, ~~he or she~~ the claimant shall be entitled to reasonable attorney's fees as approved by the court~~,~~; necessary costs, including deposition expenses, subpoena fees, and expert witness fees~~,~~; and interest at the rate of 12 percent per annum on that portion of any award the payment of which is contested.

(2) Interest shall be computed from the date of the award of the Commissioner.

~~(c)~~(d) By January 1, 1999~~,~~ and at least every five years thereafter, the Commissioner shall amend existing rules regarding reasonable attorney's fees awarded under subsection (a) of this section. In amending these rules, the Commissioner shall consider accessibility to legal services, appropriate inflation factors, and any other related factors consistent with the purposes of this chapter. In the event the Commissioner proposes no change in the rules in any five-year period, the Commissioner shall provide a written report to the Legislative Committee on Administrative Rules of the General Assembly explaining the reasons for not changing the rules.

~~(d) In cases for which a formal hearing is requested and the case is resolved prior to formal hearing, the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and thereafter payments were made to the claimant as a result of the attorney's efforts.~~

* * *

Sec. 39. ADOPTION OF RULES

The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as necessary to implement the provisions of Secs. 30, 31, 32, 33, 34, 35, 37, and 38 of this act.

* * * Unemployment Insurance * * *

Sec. 40. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

~~The following words and phrases, as~~ As used in this chapter~~, shall have the~~

~~following meanings unless the context clearly requires otherwise~~:

* * *

(25) "Son," "daughter," and "child" include an individual's biological child, foster child, adoptive child, stepchild, a child for whom the individual is listed as a parent on the child's birth certificate, a legal ward of the individual, a child of the individual's spouse, or a child that the individual has day-to-day responsibilities to care for and financially support.

(26) "Spouse" includes an individual's domestic partner or civil union partner. As used in this subdivision, "domestic partner" means another individual with whom an individual has an enduring domestic relationship of a spousal nature, provided that the individual and the individual's domestic partner:

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

(B) are at least 18 years of age;

(C) are not married to, in a civil union with, or considered the 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.

Sec. 41. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

As used in this chapter:

* * *

(5) "Employer" includes:

(A) Any employing unit ~~which, after December 31, 1971~~ that in any calendar quarter in either the current or preceding calendar year paid for service in employment, as ~~hereinafter~~ defined pursuant to subdivision (6) of this section, wages of $1,500.00 or more, or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, had in employment~~, as hereinafter defined,~~ at least one individual (irrespective of whether the same individual was in employment in each such day). When an employing unit described in either this subdivision or subdivision ~~(5)~~(B) of this ~~section~~ subdivision (5), becomes an employer within any calendar year, it shall be subject to this chapter for the whole of ~~such~~ the calendar year.

(B)(i) Any employing unit for which service in employment for a religious, charitable, educational, or other organization as defined in subdivision (6)(A)(ix) of this section is performed after December 31, 1971~~;~~, except as provided in subdivision ~~(5)~~(C) of this ~~section~~ subdivision (5).

* * *

(6)(A)(i) "Employment," subject to the other provisions of this subdivision (6), means service within the jurisdiction of this State~~, performed prior to January 1, 1978, which was employment as defined in this subdivision prior to such date and, subject to the other provisions of this subdivision, service performed after December 31, 1977,~~ performed by an employee, as defined in subsections 3306(i) and (o) of the Federal Unemployment Tax Act, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, expressed or implied. Services partly within and partly ~~without~~ outside this State may by election as ~~hereinbefore~~ provided in subdivision (5)(E)(i) of this section be treated as if wholly within the jurisdiction of this State. ~~And whenever~~ If an employing unit ~~shall have~~ has elected to come under the provisions of a similar act of a state where a part of the services of an employee are performed, the Commissioner, upon ~~his or her approval of said~~ approving the election as to ~~any such~~ the employee, may treat the services covered by ~~said approved~~ the election as having been performed wholly ~~without~~ outside the jurisdiction of this State.

* * *

(ix) The term "employment" shall also include service for any employing unit ~~which is~~ performed ~~after December 31, 1971~~ by an individual in the employ of a religious, charitable, educational, or other organization ~~but only~~ if~~:~~

~~(I)~~ the service is excluded from "employment" as defined in the Federal Unemployment Tax Act solely by reason of ~~section~~ subdivision 3306(c)(8) of that act~~; and~~

~~(II) the organization had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time~~.

* * *

Sec. 42. 21 V.S.A. § 1321 is amended to read:

§ 1321. CONTRIBUTIONS; TAXABLE WAGE BASE CHANGES

* * *

(c)(1) Financing benefits paid to employees of nonprofit organizations.

(A) Benefits paid to employees of nonprofit organizations shall be financed in accordance with the provisions of this subsection (c).

(B) ~~For the purposes of~~ As used in this subsection (c), ~~a~~ "nonprofit organization" ~~is~~ means an organization ~~(~~, or group of organizations~~)~~, described in Section 501(c)(3) of the U.S. Internal Revenue Code ~~which~~ that is exempt from income tax under Section 501(a) of ~~such~~ the Internal Revenue Code.

(2) Liability for contributions and election of reimbursement. Any nonprofit organization ~~which~~ that, pursuant to subdivision 1301(5)(B)(i) of this ~~title~~ chapter, is~~,~~ or becomes~~,~~ subject to this chapter ~~on or after January 1, 1972~~ shall pay contributions under the provisions of this section~~,~~ unless it elects, in accordance with this subsection, to pay to the Commissioner~~,~~ for the Unemployment Insurance Trust Fund~~,~~ an amount equal to the amount of regular benefits and of one-half of the extended benefits paid~~,~~ that is attributable to service in the employ of ~~such~~ the nonprofit organization~~,~~ to individuals for weeks of unemployment ~~which~~ that begin during the effective period of ~~such~~ the election.

(A) ~~Any nonprofit organization which is, or becomes, subject to this chapter on January 1, 1972 may elect to become liable for payments in lieu of contributions for a period of not less than one calendar year beginning with January 1, 1972 provided it files with the Commissioner a written notice of its election within the 30-day period immediately following such date or within a like period immediately following April 16, 1971, whichever occurs later.~~ [Repealed.]

(B) Any nonprofit organization ~~which~~ that becomes subject to this chapter ~~after January 1, 1972~~ may elect to become liable for payments in lieu of contributions for a period of not less than 12 months ~~beginning with the date on which such subjectivity begins~~ by filing a written notice of its election with the Commissioner not later than 30 days immediately following the date of the determination ~~of such subjectivity~~ that the organization is subject to this chapter.

(C) Any nonprofit organization ~~which~~ that makes an election in accordance with ~~subdivisions (c)(2)(A) and~~ subdivision (B) of this ~~section will~~ subdivision (c)(2) shall continue to be liable for payments in lieu of contributions until it files with the Commissioner a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which ~~such~~ the termination shall first be effective.

(D) Any nonprofit organization ~~which~~ that has been paying contributions under this chapter ~~for a period subsequent to January 1, 1972~~ may ~~change to a reimbursable basis~~ elect to become liable for payments in lieu of contributions by filing with the Commissioner not later than 30 days prior to the beginning of any calendar year a written notice of election to become liable for payments in lieu of contributions. ~~Such~~ An election under this subdivision (c)(2)(D) shall not be terminable by the organization for that year and the next year.

(E) The Commissioner may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive ~~but not any earlier than with respect to benefits paid after December 31, 1969~~.

(F) The Commissioner, in accordance with ~~such~~ any applicable rules ~~as~~ adopted by the Board ~~may prescribe~~, shall notify each nonprofit organization of any determination ~~which he or she may make of~~ that the Commissioner makes with regard to its status as an employer and ~~of~~ the effective date of any election ~~which it~~ that the organization makes and of any termination of ~~such~~ an election. ~~Such~~ The determinations shall be subject to reconsideration and to appeal and review in accordance with the provisions of section 1337a of this title.

(3) Reimbursement payments. Payments in lieu of contributions shall be made in accordance with the provisions of this subdivision, including either subdivision (A) or ~~subdivision~~ (B).

(A) At the end of each calendar quarter, or at the end of any other period as determined by the Commissioner, the Commissioner shall bill each nonprofit organization, or group of ~~such~~ nonprofit organizations, ~~which~~ that has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one-half of the amount of extended benefits paid during ~~such~~ the quarter or other prescribed period that is attributable to service in the employ of ~~such~~ the organization.

(B)(i) Each nonprofit organization that has elected payments in lieu of contributions may request permission to make ~~such~~ payments as provided in this subdivision (c)(3)(B). ~~Such method of payment~~ Payment pursuant to the provisions of this subdivision (c)(3)(B) shall become effective upon approval of the Commissioner.

(ii) At the end of each calendar quarter, the Commissioner shall bill each nonprofit organization approved to make payments pursuant to the provisions of this subdivision (c)(3)(B) for an amount representing ~~one of the following:~~

~~(I) For 1972, two-tenths of one percent of its total payroll for 1971.~~

~~(II) For years after 1972, such~~ a percentage of its total payroll for the immediately preceding calendar year ~~as~~ that the Commissioner ~~shall determine. The determination shall be~~ determines to be appropriate based ~~each year~~ on the average benefit costs attributable to service in the employ of nonprofit organizations during the preceding calendar year.

~~(III) For~~ The Commissioner may determine a different rate for any organization ~~which~~ that did not pay wages throughout the four calendar quarters of the preceding calendar year~~, such percentage of its payroll during that year as the Commissioner shall determine~~.

(iii) At the end of each calendar year, the Commissioner may modify the quarterly percentage of payroll thereafter payable by the nonprofit organization in order to minimize excess or insufficient payments.

(iv) At the end of each calendar year, the Commissioner shall determine whether the total of payments for ~~such~~ the year made by a nonprofit organization is less than, or in excess of, the total amount of regular benefits plus one-half of the amount of extended benefits paid to individuals during ~~such~~ the taxable year based on wages attributable to service in the employ of ~~such~~ the organization. Each nonprofit organization whose total payments for ~~such~~ the year are less than the amount ~~so~~ determined shall be liable for payment of the unpaid balance to the Trust Fund in accordance with subdivision ~~(3)~~(C) of this ~~subsection~~ subdivision (c)(3). If the total payments exceed the amount so determined for the taxable year, all or a part of the excess shall, at the election of the nonprofit organization, be refunded from the Trust Fund or retained in the Trust Fund as part of the payments ~~which~~ that may be required for the next calendar year.

(C) Payment of any bill rendered under subdivision (2) ~~or subdivision (3)~~ of this subsection (c) or this subdivision (c)(3) shall be made not later than 30 days after the bill is mailed to the last known address of the nonprofit organization or is otherwise delivered to it~~,~~ unless there has been an application for redetermination by the Commissioner or a petition for hearing before a referee in accordance with subdivision ~~(3)~~(E) of this ~~subsection~~ subdivision (c)(3).

(D) Payments made by any nonprofit ~~corporation~~ organization under the provisions of this section shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of the organization.

(E)(i) The amount due specified in any bill from the Commissioner shall be conclusive on the organization unless, not later than 30 days after the date of the bill, the organization files an application for reconsideration by the Commissioner, or a petition for a hearing before a referee, setting forth the grounds for ~~such~~ the application or petition.

(ii) The Commissioner shall promptly review and reconsider the amount due specified in the bill and shall thereafter issue a redetermination in any case in which ~~such~~ an application for redetermination has been filed. Any such redetermination shall be conclusive on the organization unless, not later than 30 days after the date of the redetermination, the organization files a petition for a hearing before a referee~~,~~ setting forth the grounds for the petition.

(iii) Proceedings on the petition for a hearing before a referee on the amount of a bill rendered under this section or a redetermination of ~~such~~ the amount shall be in accordance with the provisions of section 1331 of this title, and the decision of the referee shall be subject to the provisions of that section. Review of the decision of the referee by the Employment Security Board shall be in accordance with, and its decision shall be subject to, the provisions of section 1332 of this title.

(F) Any employer, including the State of Vermont ~~which~~, that makes payments in lieu of contributions under this section shall be subject to the provisions of sections 1314, 1322, 1328, 1329, 1334, and 1336 of this title as follows:

(i) ~~that~~ The employer shall be liable for any reports ~~as~~ required by the Commissioner ~~may require~~ pursuant to sections 1314 and 1322 of this title~~;~~.

(ii) ~~that~~ The employer shall be liable for any penalty imposed pursuant to sections 1314 and 1328 of this title~~;~~.

(iii) ~~that~~ The employer shall be liable for the same interest on past due payments pursuant to subsection 1329(a) of this title~~;~~.

(iv) ~~that~~ The employer shall be subject to a civil action for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(b) and 1334(a) of this title~~; and~~.

(v) ~~that~~ The employer shall be subject to ~~those~~ actions for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(c) and (d)~~,~~ and 1334(b) and (c)~~,~~ and section 1336 of this title; however, those provisions shall not apply to the State of Vermont.

(4) Authority to terminate elections. If any nonprofit organization is delinquent in making payments in lieu of contributions as required under this subsection, the Commissioner may terminate ~~such~~ the organization's election to make payments in lieu of contributions as of the beginning of the next taxable year, and the termination shall be effective for that and the next taxable year.

(5) Allocation of benefit costs.

(A) Each employer that is liable for payments in lieu of contributions shall pay to the Commissioner for the Trust Fund the amount of regular benefits plus the amount of one-half of extended benefits paid that are attributable to service in the employ of ~~such~~ the employer.

(B) If benefits paid to an individual are based on wages paid by more than one employer and one or more of ~~such~~ the employers are liable for payments in lieu of contributions, the amount payable to the Trust Fund by each employer that is liable for ~~such~~ payments in lieu of contributions shall be ~~determined in accordance with subdivisions (5)(A) and (B) of this subsection (c):~~

~~(A) Proportionate allocation when fewer than all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by one or more employers that are liable for payments in lieu of contributions and on wages paid by one or more employers who are liable for contributions, the amount of benefits payable by each employer that is liable for payments in lieu of contributions shall be~~ an amount ~~which~~ that bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by ~~such~~ the employer bear to the total base-period wages paid to the individual by all of ~~his or her~~ the individual's base-period employers.

~~(B) Proportionate allocation when all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by two or more employers that are liable for payments in lieu of contributions, the amount of benefits payable by each employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by the employer bear to the total base-period wages paid to the individual by all of his or her base-period employers.~~

(6) Group accounts. Two or more employers that have become liable for payments in lieu of contributions, in accordance with the provisions of this section and section 1380 of this title, may file a joint application to the

Commissioner for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of ~~such~~ the employers. Each application shall identify and authorize a group representative to act as the group's agent for the purpose of this section. Upon ~~his or her~~ approval of the application, the Commissioner shall establish a group account for ~~such~~ the employers effective as of the beginning of the calendar quarter in which ~~he or she~~ the Commissioner receives the application and shall notify the group's representative of the effective date of the account. The account shall remain in effect for not less than two years and thereafter until terminated at the discretion of the Commissioner or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in ~~such~~ the quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by ~~such~~ the member in ~~such~~ the quarter bear to the total wages paid during ~~such~~ the quarter for service performed in the employ of all members of the group. The Board shall ~~prescribe regulations~~ adopt rules as it deems necessary with respect to applications for establishment, maintenance, and termination of group accounts that are authorized by this subdivision, for addition of new members to, and withdrawal of active members from, such accounts, and for the determination of the amounts that are payable under this ~~section~~ subsection by members of the group and the time and manner of ~~such~~ the payments.

(7) ~~Notwithstanding any of the foregoing provisions of this section, any nonprofit organization that prior to January 1, 1969, paid contributions required by this section, and, pursuant to subsection (c) of this section, elects within 30 days after January 1, 1972, to make payments in lieu of contributions, shall not be required to make any such payment on account of any regular or extended benefits paid, on the basis of wages paid by such organization to individuals for weeks of unemployment which begin on and after the effective date of the election until the total amount of benefits equals the amount (1) by which the contributions paid by the organization with respect to the two-year period before the effective date of the election under subsection (b) of this section exceed (2) the total amount of unemployment benefits paid for the same period that were attributable to service performed in the employ of the organization and were charged to the experience rating record of the organization.~~ [Repealed.]

* * *

(f) Any employer who makes payments in lieu of contributions under the provisions of this section is considered to be self-insuring and shall pay to the Commissioner for the Unemployment Compensation Trust Fund ~~such~~ any

amounts ~~as~~ the Commissioner finds to be due under this chapter, including benefits paid but denied on appeal or benefits paid in error ~~which~~ that cannot be properly charged either against another employer who makes payments in lieu of contributions or against the experience-rating record of another employer who pays contributions. Benefits improperly paid where repayment by the claimant is ordered pursuant to subsection 1347(a) or (b) of this title will be credited to the employer's account when repayment from the claimant is actually received by the Commissioner.

Sec. 43. NONPROFIT AND MUNICIPAL REIMBURSABLE EMPLOYERS; EDUCATION; OUTREACH

(a) On or before October 1, 2023, the Commissioner of Labor, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall develop information and education materials for nonprofit and municipal employers regarding the unemployment insurance system. At a minimum, the materials shall:

(1) explain the options available to nonprofit and municipal employers, including paying regular unemployment insurance contributions, reimbursing the Unemployment Insurance Trust Fund for attributable unemployment insurance costs, and, with respect to nonprofit employers, quarterly payments of estimated unemployment insurance costs;

(2) identify the potential benefits and drawbacks of each of the options identified in subdivision (1) of this subsection;

(3) provide information on how a nonprofit or municipal employer can evaluate its potential liability under each of the options identified in subdivision (1) of this subsection;

(4) provide information developed by the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders regarding how a nonprofit or municipal employer can plan and budget for the potential expenses associated with each of the options identified in subdivision (1) of this subsection; and

(5) provide additional information regarding the Unemployment Insurance program and related laws that the Commissioner determines, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, to be helpful or necessary for nonprofit and municipal employers.

(b)(1) The informational and educational materials developed pursuant to subsection (a) of this section shall be made available on the Department's website and shall, in coordination with the Secretary of State, Common Good Vermont, United Way of Northwest Vermont, the Vermont League of Cities and Towns, and other interested stakeholders, be shared directly with Vermont nonprofit and municipal employers to the extent practicable.

(2) The Secretary of State shall assist the Commissioner of Labor in identifying and contacting all active Vermont nonprofit employers. The Office of the Secretary of State shall also make available on its website a link to the information and educational materials provided on the Department of Labor's website pursuant to this section.

(c) The Department of Labor, in collaboration with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall hold one or more informational sessions to present the materials and information developed pursuant to subsection (a) of this section to nonprofit employers and municipal employers. At least one session shall be held on or before November 1, 2023. Each session shall allow for both in-person and remote participation and shall be recorded. Recordings shall be made available to the public and to stakeholder organizations for distribution to their members.

Sec. 44. 2021 Acts and Resolves No. 183, Sec. 59(b)(6) is amended to read:

(6) Sec. 52g (prospective repeal of unemployment insurance benefit increase) shall take effect ~~upon the payment of a~~ when the cumulative ~~total~~ amount of additional benefits paid pursuant to 21 V.S.A. § 1338(e) ~~when,~~ compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2025 ~~equal to $92,000,000.00,~~ plus the ~~difference between $8,000,000.00 and the~~ amount of additional benefits paid ~~out~~ pursuant to section 52b~~, if any~~, compared to the amount that would have been paid pursuant to the provisions of 21 V.S.A. § 1338(f)(1) on June 30, 2022, equals $100,000,000.00 and shall apply to benefit weeks beginning after that date.

Sec. 45. UNEMPLOYMENT DUE TO URGENT, COMPELLING, OR NECESSITOUS CIRCUMSTANCES; COVERAGE; IMPACT; REPORT

(a) On or before January 15, 2024, the Commissioner of Labor shall submit a written report prepared in consultation with the Joint Fiscal Office to the House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential impact of extending eligibility for unemployment

insurance benefits to individuals who separate from employment due to urgent, compelling, or necessitous circumstances, including the individual's injury or illness, to obtain or recover from medical treatment, to escape domestic or sexual violence, to care for a child following an unexpected loss of child care, or to care for an ill or injured family member.

(b) The report shall include:

(1) a list of states in which individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are eligible for unemployment insurance and shall identify the specific circumstances for separation from employment in each identified state for which there is no waiting period or period of disqualification related to the circumstance;

(2) information, to the extent it is available, regarding the number of approved claims in the states identified pursuant to subdivision (1) of this subsection where the individual separated from employment due to circumstances similar to those described in subsection (a) of this section;

(3) an estimate of the projected range of additional approved claims per year in Vermont if individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are made eligible for unemployment insurance;

(4) an estimate of the range of potential impacts on the Unemployment Insurance Trust Fund of making individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section eligible for unemployment insurance; and

(5) any recommendations for legislative action.

Sec. 46. DOMESTIC AND SEXUAL VIOLENCE SURVIVORS' TRANSITIONAL EMPLOYMENT PROGRAM; UTILIZATION; REPORT

On or before January 15, 2024, the Commissioner of Labor 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 the utilization of the Domestic and Sexual Violence Survivors' Transitional Employment Program. The report shall include information regarding the utilization of the Program during the past 10 years, a summary of the Department's efforts to make members of the public aware of the Program and improve access to it, how the identified changes have impacted utilization of the Program in comparison to prior years, any potential ways to further increase awareness and utilization of the Program,

and any suggestions for legislative action to improve awareness or utilization of the Program.

Sec. 47. 21 V.S.A. § 1256 is added to read:

§ 1256. NOTIFICATION TO THE PUBLIC

The Department shall take reasonable measures to provide information to the public about the Program, including publishing information on the Department's website and providing timely materials related to the Program to public agencies of the State and organizations that work with domestic and sexual violence survivors, including law enforcement, State's Attorneys, community justice centers, the Center for Crime Victim Services, the Vermont Network Against Domestic and Sexual Violence (the Network), and any others deemed appropriate by the Commissioner in consultation with the Network.

* * * Effective Dates * * *

Sec. 48. EFFECTIVE DATES

(a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023.

(b)(1) Sec. 5 (Child Care Financial Assistance Program; eligibility), Sec. 6 (provider rate adjustment; Child Care Financial Assistance Program), Sec. 9 (payment to providers), and Sec. 12 (child care tuition rates) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

(2) Sec. 5a (Child Care Financial Assistance Program; eligibility) and Sec. 5d (fiscal year 2024; family contribution) shall take effect on April 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

(3) Sec. 5b (Child Care Financial Assistance Program; eligibility), Sec. 9a (payment to providers), and Sec. 10 (child care quality and capacity incentive program) shall take effect on July 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

(4) Sec. 5c (Child Care Financial Assistance Program; eligibility) shall take effect on October 1, 2024.

(5) Sec. 25 (Child Care Contribution) shall take effect on July 1, 2024.

(6) Secs. 27 (Workers' Compensation Administrative Fund rate of contribution) and 29 (extension prior to proposed discontinuance of workers' compensation benefits) shall take effect on passage.

(7) Sec. 41 (extension of unemployment insurance to small nonprofit employers) shall take effect on July 1, 2024.

(8) Secs. 33 and 35 (sunset of workers' compensation dependent benefit increases) shall take effect on July 1, 2028.

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

An act relating to child care, early education, workers' compensation, and unemployment insurance.

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 Economic Development, Housing and General Affairs was amended as recommended by the Committee on Appropriations.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered.

Proposal of Amendment; Third Reading Ordered

H. 227.

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

An act relating to the Vermont Uniform Power of Attorney Act.

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. 14 V.S.A. chapter 127 is added to read:

CHAPTER 127. VERMONT UNIFORM POWER OF ATTORNEY ACT

Subchapter 1. General Provisions

§ 4001. SHORT TITLE

This chapter may be cited as the Vermont Uniform Power of Attorney Act.

§ 4002. DEFINITIONS

As used in this chapter:

(1) "Agent" means a person granted authority to act for a principal under a power of attorney, whether denominated an agent, attorney-in-fact, or otherwise. The term includes an original agent, coagent, successor agent, and a person to which an agent's authority is delegated.

(2) "Durable," with respect to a power of attorney, means not terminated by the principal's incapacity or unavailability.

(3) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(4) "Electronic signature" means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.

(5) "General power of attorney" means a power of attorney that is not limited by its terms to a specified transaction or series of transactions, to a specific purpose, or to a specific asset or set of assets, or a power of attorney that grants an agent the authority to do any one or more of the acts described in subsection 4031(e) of this title.

(6) "Good faith" means honesty in fact.

(7)(A) "Incapacity" means the inability of an individual to manage property or business affairs because the individual has an impairment in the ability to receive and evaluate information or make or communicate decisions even with the use of technological assistance.

(B) "Unavailability" means the inability of an individual to manage property or business affairs because the individual is:

(i) missing;

(ii) detained, including incarcerated in a penal system; or

(iii) outside the United States and unable to return.

(8) "Person" means an individual; corporation; business trust; estate; trust; partnership; limited liability company; association; joint venture; public corporation; government or governmental subdivision, agency, or instrumentality; or any other legal or commercial entity.

(9) "Power of attorney" means a writing or other record that grants authority to an agent to act in the place of the principal, whether or not the term power of attorney is used.

(10) "Presently exercisable general power of appointment," with respect to property or a property interest subject to a power of appointment, means

power exercisable at the time in question to vest absolute ownership in the principal individually, the principal's estate, the principal's creditors, or the creditors of the principal's estate. The term includes a power of appointment not exercisable until the occurrence of a specified event, the satisfaction of an ascertainable standard, or the passage of a specified period only after the occurrence of the specified event, the satisfaction of the ascertainable standard, or the passage of the specified period. The term does not include a power exercisable in a fiduciary capacity or only by will.

(11) "Principal" means an individual who grants authority to an agent in a power of attorney.

(12) "Property" means anything that may be the subject of ownership, whether real or personal, or legal or equitable, or any interest or right therein.

(13) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

(14) "Sign" means, with present intent to authenticate or adopt a record:

(A) to execute or adopt a tangible symbol; or

(B) to attach to or logically associate with the record an electronic sound, symbol, or process.

(15) "State" means a state of the United States, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(16) "Stocks and bonds" means stocks, bonds, mutual funds, and all other types of securities and financial instruments, whether held directly, indirectly, or in any other manner. The term does not include commodity futures contracts and call or put options on stocks or stock indexes.

§ 4003. APPLICABILITY

This chapter applies to all powers of attorney except:

(1) a power to the extent it is coupled with an interest in the subject of the power, including a power given to or for the benefit of a creditor in connection with a credit transaction;

(2) a power to make health-care decisions;

(3) a proxy or other delegation to exercise voting rights or management rights with respect to an entity;

(4) a power created on a form prescribed by a government or governmental subdivision, agency, or instrumentality for a governmental purpose; and

(5) a power of reciprocal insurers under 8 V.S.A. § 4838.

§ 4004. POWER OF ATTORNEY IS DURABLE

A power of attorney created under this chapter is durable unless it expressly provides that it is terminated by the incapacity or unavailability of the principal.

§ 4005. EXECUTION OF POWER OF ATTORNEY

A power of attorney shall be signed by the principal or in the principal's conscious presence by another individual directed by the principal to sign the principal's name on the power of attorney. A signature on a power of attorney is presumed to be genuine if the principal acknowledges the signature before a notary public or other individual authorized by law to take acknowledgments.

§ 4006. VALIDITY OF POWER OF ATTORNEY

(a) A power of attorney executed in this State on or after July 1, 2023 is valid if its execution complies with section 4005 of this title.

(b) A power of attorney executed in this State before July 1, 2023 is valid if its execution complied with the law of this State as it existed at the time of execution.

(c) A power of attorney executed other than in this State is valid in this State if, when the power of attorney was executed, the execution complied with:

(1) the law of the jurisdiction that determines the meaning and effect of the power of attorney pursuant to section 4007 of this title; or

(2) the requirements for a military power of attorney pursuant to 10 U.S.C. § 1044b, as amended.

(d) Except as otherwise provided by statute other than this chapter, a photocopy or electronically transmitted copy of an original power of attorney has the same effect as the original.

(e) Except as otherwise provided by statute other than this chapter, a power of attorney that complies with this chapter is valid.

§ 4007. MEANING AND EFFECT OF POWER OF ATTORNEY

The meaning and effect of a power of attorney is determined by the law of the jurisdiction indicated in the power of attorney and, in the absence of an

indication of jurisdiction, by the law of the jurisdiction in which the power of attorney was executed.

§ 4008. NOMINATION OF GUARDIAN; RELATION OF AGENT TO COURT-APPOINTED FIDUCIARY

(a) In a power of attorney, a principal may nominate a guardian of the principal's estate or a guardian of the principal's person for consideration by the court if protective proceedings for the principal's estate or person are begun after the principal executes the power of attorney. Except for good cause shown or disqualification, the court shall make its appointment in accordance with the principal's most recent nomination.

(b) If, after a principal executes a power of attorney, a court appoints a guardian of the principal's estate or other fiduciary charged with the management of some or all of the principal's property, the agent is accountable to the fiduciary as well as to the principal. The power of attorney is not terminated, and the agent's authority continues unless limited, suspended, or terminated by the court.

§ 4009. WHEN POWER OF ATTORNEY EFFECTIVE

(a) A power of attorney is effective when executed unless the principal provides in the power of attorney that it becomes effective at a future date or upon the occurrence of a future event or contingency.

(b) If a power of attorney becomes effective upon the occurrence of a future event or contingency, the principal, in the power of attorney, may authorize one or more persons to determine in a writing or other record that the event or contingency has occurred.

(c) If a power of attorney becomes effective upon the principal's incapacity or unavailability and the principal has not authorized a person to determine whether the principal is incapacitated or unavailable, or the person authorized is unable or unwilling to make the determination, the power of attorney becomes effective upon a determination in a writing or other record by:

(1) a licensed health care professional working within the professional's scope of practice, including a physician licensed pursuant to 26 V.S.A. chapter 23 or 33 and a psychologist licensed pursuant to 26 V.S.A. chapter 55, that the principal is incapacitated within the meaning of subdivision 4002(7)(A) of this chapter; or

(2) an attorney at law, a judge, or an appropriate governmental official that the principal is unavailable within the meaning of 4002(7)(B) of this chapter.

(d) A person authorized by the principal in the power of attorney to determine that the principal is incapacitated or unavailable may act as the principal's personal representative pursuant to the Health Insurance Portability and Accountability Act; Sections 1171 through 1179 of the Social Security Act; 42 U.S.C. § 1320d, as amended; and applicable regulations to obtain access to the principal's health-care information and communicate with the principal's health-care provider.

§ 4010. TERMINATION OF POWER OF ATTORNEY OR AGENT'S AUTHORITY

(a) A power of attorney terminates when:

(1) the principal dies;

(2) the principal becomes incapacitated or unavailable, if the power of attorney is not durable;

(3) the principal revokes the power of attorney;

(4) the power of attorney provides that it terminates;

(5) the purpose of the power of attorney is accomplished; or

(6) the principal revokes the agent's authority or the agent dies, becomes incapacitated or unavailable, or resigns, and the power of attorney does not provide for another agent to act under the power of attorney.

(b) An agent's authority terminates when:

(1) the principal revokes the authority;

(2) the agent dies, becomes incapacitated or unavailable, or resigns;

(3) a petition for divorce, annulment, separation, or a decree of nullity is filed with respect to the agent's marriage to the principal, unless the power of attorney otherwise provides; or

(4) the power of attorney terminates.

(c) Unless the power of attorney otherwise provides, an agent's authority is exercisable until the authority terminates under subsection (b) of this section, notwithstanding a lapse of time since the execution of the power of attorney.

(d) Termination of an agent's authority or of a power of attorney is not effective as to the agent or another person that, without actual knowledge of the termination, acts in good faith under the power of attorney. An act so performed, unless otherwise invalid or unenforceable, binds the principal and the principal's successors in interest.

(e) Incapacity or unavailability of the principal of a power of attorney that is not durable does not revoke or terminate the power of attorney as to an agent or other person that, without actual knowledge of the incapacity or unavailability, acts in good faith under the power of attorney. An act so performed, unless otherwise invalid or unenforceable, binds the principal and the principal's successors in interest.

(f) The execution of a power of attorney does not revoke a power of attorney previously executed by the principal unless the subsequent power of attorney provides that the previous power of attorney is revoked or that all other powers of attorney are revoked.

(g) The principal of a power of attorney may not revoke the power of attorney if the principal has been determined to be incapacitated.

§ 4011. CO-AGENTS AND SUCCESSOR AGENTS

(a) A principal may designate two or more persons to act as co-agents. Unless the power of attorney otherwise provides, each co-agent may exercise its authority independently.

(b) A principal may designate one or more successor agents to act if an agent resigns, dies, becomes incapacitated or unavailable, is not qualified to serve, or declines to serve. A principal may grant authority to designate one or more successor agents to an agent or other person designated by name, office, or function. Unless the power of attorney otherwise provides, a successor agent:

(1) has the same authority as that granted to the original agent; and

(2) may not act until all predecessor agents have resigned, died, become incapacitated or unavailable, are no longer qualified to serve, or have declined to serve.

(c) Except as otherwise provided in the power of attorney and subsection (d) of this section, an agent who does not participate in or conceal a breach of fiduciary duty committed by another agent, including a predecessor agent, is not liable for the actions of the other agent.

(d) An agent who has actual knowledge of a breach or imminent breach of fiduciary duty by another agent shall notify the principal and, if the principal is incapacitated or unavailable, take any action reasonably appropriate in the circumstances to safeguard the principal's best interests. An agent who fails to notify the principal or take action as required by this subsection is liable for the reasonably foreseeable damages that could have been avoided if the agent had notified the principal or taken such action.

§ 4012. REIMBURSEMENT AND COMPENSATION OF AGENT

Unless the power of attorney otherwise provides, an agent is entitled to reimbursement of expenses reasonably incurred on behalf of the principal and to compensation that is reasonable under the circumstances.

§ 4013. AGENT'S ACCEPTANCE

Except as otherwise provided in the power of attorney, a person accepts appointment as an agent under a power of attorney by exercising authority or performing duties as an agent or by any other assertion or conduct indicating acceptance.

§ 4014. AGENT'S DUTIES

(a) Notwithstanding provisions in the power of attorney, an agent who has accepted appointment shall:

(1) act in accordance with the principal's reasonable expectations to the extent actually known by the agent and otherwise in the principal's best interests;

(2) act in good faith; and

(3) act only within the scope of authority granted in the power of attorney.

(b) Except as otherwise provided in the power of attorney or other provision of this chapter, an agent that has accepted appointment shall have no further obligation to act under the power of attorney. However, with respect to any action taken by the agent under the power of attorney, the agent shall:

(1) act loyally for the principal's benefit;

(2) act so as not to create a conflict of interest that impairs the agent's ability to act impartially in the principal's best interests;

(3) act with the care, competence, and diligence ordinarily exercised by agents in similar circumstances;

(4) keep a record of all receipts, disbursements, and transactions made on behalf of the principal;

(5) cooperate with a person who has authority to make health-care decisions for the principal to carry out the principal's reasonable expectations to the extent actually known by the agent and otherwise act in the principal's best interests; and

(6) attempt to preserve the principal's estate plan, to the extent actually known by the agent, if preserving the plan is consistent with the principal's best interests based on all relevant factors, including:

(A) the value and nature of the principal's property;

(B) the principal's foreseeable obligations and need for maintenance;

(C) minimization of taxes, including income, estate, inheritance, generation-skipping transfer, and gift taxes; and

(D) eligibility for a benefit, a program, or assistance under a statute or regulation.

(c) An agent who acts in good faith is not liable to any beneficiary of the principal's estate plan for failure to preserve the plan.

(d) An agent who acts with care, competence, and diligence for the best interests of the principal is not liable solely because the agent also benefits from the act or has an individual or conflicting interest in relation to the property or affairs of the principal.

(e) If an agent is selected by the principal because of special skills or expertise possessed by the agent or in reliance on the agent's representation that the agent has special skills or expertise, the special skills or expertise must be considered in determining whether the agent has acted with care, competence, and diligence under the circumstances.

(f) Absent a breach of duty to the principal, an agent is not liable if the value of the principal's property declines.

(g) An agent who exercises authority to delegate to another person the authority granted by the principal or who engages another person on behalf of the principal is not liable for an act, error of judgment, or default of that person if the agent exercises care, competence, and diligence in selecting and monitoring the person.

(h) Except as otherwise provided in the power of attorney, an agent is not required to disclose receipts, disbursements, or transactions conducted on behalf of the principal unless ordered by a court or requested by the principal, a guardian, a conservator, another fiduciary acting for the principal, a governmental agency having authority to protect the welfare of the principal, or, upon the death of the principal, by the personal representative or successor in interest of the principal's estate. If so requested, within 30 days the agent shall comply with the request or provide a writing or other record substantiating why additional time is needed and shall comply with the request within an additional 30 days.

§ 4015. EXONERATION OF AGENT

A provision in a power of attorney relieving an agent of liability for breach of duty is binding on the principal and the principal's successors in interest except to the extent the provision:

(1) relieves the agent of liability for breach of duty committed:

(A) dishonestly;

(B) in bad faith;

(C) with reckless indifference to the purposes of the power of attorney;

(D) through willful misconduct;

(E) through gross negligence; or

(F) with actual fraud; or

(2) was inserted as a result of an abuse of a confidential or fiduciary relationship with the principal.

§ 4016. JUDICIAL RELIEF

(a) The following persons may petition a court to construe a power of attorney or review the agent's conduct and grant appropriate relief:

(1) the principal or the agent;

(2) a guardian or other fiduciary acting for the principal, including an executor or administrator of the estate of a deceased principal;

(3) a person authorized to make health-care decisions for the principal;

(4) the principal's spouse, parent, or descendant;

(5) an individual who would qualify as an heir of the principal under the laws of intestacy;

(6) a person named as a beneficiary to receive any property, benefit, or contractual right on the principal's death or as a beneficiary of a trust created by or for the principal who has a financial interest in the principal's estate;

(7) a governmental agency having regulatory authority to protect the welfare of the principal;

(8) the principal's caregiver or another person who demonstrates sufficient interest in the principal's welfare; and

(9) a person asked to accept the power of attorney.

(b) Upon motion by the principal, the court shall dismiss a petition filed under this section, unless the court finds that the principal lacks capacity to revoke the agent's authority or the power of attorney.

§ 4017. AGENT'S LIABILITY

An agent who violates this chapter is liable to the principal or the principal's successors in interest for the amount required to:

(1) restore the value of the principal's property to what it would have been had the violation not occurred;

(2) reimburse the principal or the principal's successors in interest for the attorney's fees and costs paid on the agent's behalf;

(3) reimburse the reasonable attorney's fees and costs incurred by the principal or the principal's successor in interest in pursuing rectification of the violation by the agent; and

(4) pay such other amounts, damages, costs, or expenses that the court may award.

§ 4018. AGENT'S RESIGNATION; NOTICE

Unless the power of attorney provides a different method for an agent's resignation, an agent may resign by giving written notice to the principal and, if the principal is incapacitated or unavailable:

(1) to the guardian, if one has been appointed for the principal, and a coagent or successor agent; or

(2) if there is no person described in subdivision (1) of this section, to:

(A) the principal's caregiver;

(B) another person reasonably believed by the agent to have sufficient interest in the principal's welfare; or

(C) a governmental agency having authority to protect the welfare of the principal.

§ 4019. ACCEPTANCE OF AND RELIANCE UPON ACKNOWLEDGED POWER OF ATTORNEY

(a) As used in this section and section 4020 of this title, "acknowledged" means purportedly verified before a notary public or other individual authorized to take acknowledgements.

(b) A person who in good faith accepts an acknowledged power of attorney without actual knowledge that the signature is not genuine may rely upon the presumption under section 4005 of this title that the signature is genuine.

(c) A person who effects a transaction in reliance upon an acknowledged power of attorney without actual knowledge that the power of attorney is void, invalid, or terminated; that the purported agent's authority is void, invalid, or terminated; or that the agent is exceeding or improperly exercising the agent's authority may rely upon the power of attorney as if the power of attorney were genuine, valid, and still in effect; the agent's authority were genuine, valid, and still in effect; and the agent had not exceeded and has properly exercised the authority.

(d) A person who is asked to accept an acknowledged power of attorney may request and rely upon, without further investigation:

(1) an agent's certification under penalty of perjury of any factual matter concerning the principal, agent, or power of attorney; or

(2) an English translation of the power of attorney if the power of attorney contains, in whole or in part, language other than English; and

(3) an opinion of counsel as to any matter of law concerning the power of attorney if the person making the request provides in a writing or other record the reason for the request.

(e) A certification presented pursuant to subsection (d) of this section shall state that:

(1) the person presenting themselves as the agent and signing the affidavit or declaration is the person so named in the power of attorney;

(2) if the agent is named in the power of attorney as a successor agent, the circumstances or conditions stated in the power of attorney that would cause that person to become the acting agent have occurred;

(3) to the best of the agent's knowledge, the principal is still alive;

(4) to the best of the agent's knowledge, at the time the power of attorney was signed, the principal was competent to execute the document and was not under undue influence to sign the document;

(5) all events necessary to making the power of attorney effective have occurred;

(6) the agent does not have actual knowledge of the revocation, termination, limitation, or modification of the power of attorney or of the agent's authority;

(7) if the agent was married to or in a state-registered domestic partnership with the principal at the time of execution of the power of attorney, then at the time of signing the affidavit or declaration, the marriage or state-registered domestic partnership of the principal and the agent has not been dissolved or declared invalid, and no action is pending for the dissolution of the marriage or domestic partnership for legal separation; and

(8) the agent is acting in good faith pursuant to the authority given under the power of attorney.

(f) An English translation or an opinion of counsel requested under this section must be provided at the principal's expense unless the request is made more than seven business days after the power of attorney is presented for acceptance.

(g) For purposes of this section and section 4020 of this title, a person who conducts activities through employees is without actual knowledge of a fact relating to a power of attorney, a principal, or an agent if the employee conducting the transaction involving the power of attorney is without actual knowledge of the fact.

§ 4020. LIABILITY FOR REFUSAL TO ACCEPT ACKNOWLEDGED STATUTORY FORM POWER OF ATTORNEY

(a) As used in this section, "statutory form power of attorney" means a power of attorney substantially in the form provided in section 4051 or 4052 of this title or that meets the requirements for a military power of attorney pursuant to 10 U.S.C. § 1044b, as amended.

(b) Except as otherwise provided in subsection (c) of this section:

(1) a person shall either accept an acknowledged statutory form power of attorney or request a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title not later than seven business days after presentation of the power of attorney for acceptance;

(2) if a person requests a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title, the person shall accept the statutory form power of attorney not later than five business days after receipt of the certification, translation, or opinion of counsel; and

(3) a person may not require an additional or different form of power of attorney for authority granted in the statutory form power of attorney presented.

(c) A person is not required to accept an acknowledged statutory form power of attorney if:

(1) the person is not otherwise required to engage in a transaction with the principal in the same circumstances;

(2) engaging in a transaction with the agent or the principal in the same circumstances would be inconsistent with federal or state law;

(3) the person has actual knowledge of the termination of the agent's authority or of the power of attorney before exercise of the power;

(4) a request for a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title is refused;

(5) the person in good faith believes that the power is not valid or that the agent does not have the authority to perform the act requested, whether or not a certification, a translation, or an opinion of counsel under subsection 4019(d) of this title has been requested or provided; or

(6) the person makes, or has actual knowledge that another person has made, a report to the Adult Protective Services program or other appropriate entity within the Department of Disabilities, Aging, and Independent Living or to a law enforcement agency stating a good faith belief that the principal may be subject to physical or financial abuse, neglect, exploitation, or abandonment by the agent or a person acting for or with the agent.

(d) A person who refuses in violation of this section to accept an acknowledged statutory form power of attorney is subject to:

(1) a court order mandating acceptance of the power of attorney; and

(2) liability for reasonable attorney's fees and costs incurred in any action or proceeding that confirms the validity of the power of attorney or mandates acceptance of the power of attorney.

§ 4021. PRINCIPLES OF LAW AND EQUITY

Unless displaced by a provision of this chapter, the principles of law and equity supplement this chapter.

§ 4022. LAWS APPLICABLE TO FINANCIAL INSTITUTIONS AND ENTITIES

This chapter does not supersede any other law applicable to financial institutions or other entities, and the other law controls if inconsistent with this chapter.

§ 4023. REMEDIES UNDER OTHER LAW

The remedies under this chapter are not exclusive and do not abrogate any right or remedy under the law of this State other than this chapter.

Subchapter 2. Authority

§ 4031. AUTHORITY THAT REQUIRES SPECIFIC GRANT; GRANT OF GENERAL AUTHORITY

(a) An agent under a power of attorney may do the following on behalf of the principal or with the principal's property only if the power of attorney expressly grants the agent the authority and exercise of the authority is not otherwise prohibited by another agreement or instrument to which the authority or property is subject:

(1) create, amend, revoke, or terminate an inter vivos trust;

(2) make a gift;

(3) create or change rights of survivorship;

(4) create or change a beneficiary designation;

(5) delegate authority granted under the power of attorney;

(6) waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan;

(7) authorize another person to exercise the authority granted under the power of attorney;

(8) exercise authority over the content of an electronic communication of the principal in accordance with chapter 125 of this title (Vermont Revised Uniform Fiduciary Access to Digital Assets Act);

(9) disclaim property, including a power of appointment;

(10) exercise a written waiver of spousal rights under section 323 of this title;

(11) exercise authority with respect to intellectual property, including copyrights, contracts for payment of royalties, and trademarks; or

(12) convey, or revoke or revise a grantee designation, by enhanced life estate deed pursuant to chapter 6 of Title 27 or under common law.

(b) Notwithstanding a grant of authority to do an act described in subsection (a) of this section, unless the power of attorney otherwise provides, an agent that is not an ancestor, spouse, or descendant of the principal may not exercise authority under a power of attorney to create in the agent, or in an individual to whom the agent owes a legal obligation of support, an interest in the principal's property, whether by gift, right of survivorship, beneficiary designation, disclaimer, or otherwise.

(c) Subject to subsections (a), (b), (d), and (e) of this section, if a power of attorney grants to an agent authority to do all acts that a principal could do, the agent has the general authority described in sections 4034–4046 of this title.

(d) Unless the power of attorney otherwise provides, a grant of authority to make a gift is subject to section 4047 of this title.

(e) Subject to subsections (a), (b), and (d) of this section, if the subjects over which authority is granted in a power of attorney are similar or overlap, the broadest authority controls.

(f) Authority granted in a power of attorney is exercisable with respect to property that the principal has when the power of attorney is executed or acquires later, whether or not the property is located in this State and whether or not the authority is exercised or the power of attorney is executed in this State.

(g) An act performed by an agent pursuant to a power of attorney has the same effect and inures to the benefit of and binds the principal and the principal's successors in interest as if the principal had performed the act.

§ 4032. INCORPORATION OF AUTHORITY

(a) An agent has authority described in this chapter if the power of attorney refers to general authority with respect to the descriptive term for the subjects stated in sections 4034–4047 of this title or cites the section in which the authority is described.

(b) A reference in a power of attorney to general authority with respect to the descriptive term for a subject in sections 4034–4047 of this title or a citation to a section of sections 4034–4047 of this title incorporates the entire section as if it were set out in full in the power of attorney.

(c) A principal may modify authority or a writing or other record incorporated by reference.

§ 4033. CONSTRUCTION OF AUTHORITY GENERALLY

Except as otherwise provided in the power of attorney, by executing a power of attorney that incorporates by reference a subject described in sections 4034–4047 of this title or that grants to an agent authority to do all acts that a principal could do pursuant to subsection 4031(c) of this title, a principal authorizes the agent, with respect to that subject, to:

(1) demand, receive, and obtain by litigation or otherwise, money or another thing of value to which the principal is, may become, or claims to be entitled, and conserve, invest, disburse, or use anything so received or obtained for the purposes intended;

(2) contract in any manner with any person, on terms agreeable to the agent, to accomplish a purpose of a transaction and perform, rescind, cancel, terminate, reform, restate, release, or modify the contract or another contract made by or on behalf of the principal;

(3) execute, acknowledge, seal, deliver, file, or record any instrument or communication the agent considers desirable to accomplish a purpose of a transaction, including creating at any time a schedule listing some or all of the principal's property and attaching it to the power of attorney;

(4) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to a claim existing in favor of or against the principal or intervene in litigation relating to the claim;

(5) seek on the principal's behalf the assistance of a court or other governmental agency to carry out an act authorized in the power of attorney;

(6) engage, compensate, and discharge an attorney, accountant, discretionary investment manager, expert witness, or other advisor;

(7) prepare, execute, and file a record, report, or other document to safeguard or promote the principal's interest under a statute or regulation;

(8) communicate with any representative or employee of a government or governmental subdivision, agency, or instrumentality on behalf of the principal;

(9) access communications intended for and communicate on behalf of the principal, whether by mail, electronic transmission, telephone, or other means; and

(10) do any lawful act with respect to the subject and all property related to the subject.

§ 4034. REAL PROPERTY

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to real property authorizes the agent to:

(1) demand, buy, lease, receive, accept as a gift or as security for an extension of credit, or otherwise acquire or reject an interest in real property or a right incident to real property;

(2) sell; exchange; convey, with or without covenants, representations, or warranties; quitclaim; release; surrender; retain title for security; encumber; partition; consent to partitioning; subject to an easement or covenant; subdivide; apply for zoning or other governmental permits; plat or consent to

platting; develop; grant an option concerning; lease; sublease; contribute to an entity in exchange for an interest in that entity; or otherwise grant or dispose of an interest in real property or a right incident to real property;

(3) pledge or mortgage an interest in real property or right incident to real property as security to borrow money or pay, renew, or extend the time of payment of a debt of the principal or a debt guaranteed by the principal;

(4) release, assign, satisfy, or enforce by litigation or otherwise a mortgage, deed of trust, conditional sale contract, encumbrance, lien, or other claim to real property that exists or is asserted;

(5) manage or conserve an interest in real property or a right incident to real property owned or claimed to be owned by the principal, including:

(A) insuring against liability or casualty or other loss;

(B) obtaining or regaining possession of or protecting the interest or right by litigation or otherwise;

(C) paying, assessing, compromising, or contesting taxes or assessments or applying for and receiving refunds in connection with them; and

(D) purchasing supplies, hiring assistance or labor, and making repairs or alterations to the real property;

(6) use, develop, alter, replace, remove, erect, or install structures or other improvements upon real property in or incident to which the principal has, or claims to have, an interest or right;

(7) participate in a reorganization with respect to real property or an entity that owns an interest in or right incident to real property and receive, and hold, and act with respect to stocks and bonds or other property received in a plan of reorganization, including:

(A) selling or otherwise disposing of them;

(B) exercising or selling an option, right of conversion, or similar right with respect to them; and

(C) exercising any voting rights in person or by proxy;

(8) change the form of title of an interest in or right incident to real property;

(9) dedicate to public use, with or without consideration, easements or other real property in which the principal has, or claims to have, an interest; and

(10) relinquish any and all of the principal's rights of homestead under 27 V.S.A. § 105 and elective share under section 323 of this title.

§ 4035. TANGIBLE PERSONAL PROPERTY

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to tangible personal property authorizes the agent to:

(1) demand, buy, receive, accept as a gift or as security for an extension of credit, or otherwise acquire or reject ownership or possession of tangible personal property or an interest in tangible personal property;

(2) sell, exchange, or convey, with or without covenants, representations, or warranties; quitclaim; release; surrender; create a security interest in; grant options concerning; lease; sublease; or otherwise dispose of tangible personal property or an interest in tangible personal property;

(3) grant a security interest in tangible personal property or an interest in tangible personal property as security to borrow money or pay, renew, or extend the time of payment of a debt of the principal or a debt guaranteed by the principal;

(4) release, assign, satisfy, or enforce by litigation or otherwise a security interest, lien, or other claim on behalf of the principal with respect to tangible personal property or an interest in tangible personal property;

(5) manage or conserve tangible personal property or an interest in tangible personal property on behalf of the principal, including:

(A) insuring against liability or casualty or other loss;

(B) obtaining or regaining possession of or protecting the property or interest, by litigation or otherwise;

(C) paying, assessing, compromising, or contesting taxes or assessments or applying for and receiving refunds in connection with taxes or assessments;

(D) moving the property from place to place;

(E) storing the property for hire or on a gratuitous bailment; and

(F) using and making repairs, alterations, or improvements to the property; and

(6) change the form of title of an interest in tangible personal property.

§ 4036. STOCKS AND BONDS

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to stocks and bonds authorizes the agent to:

(1) buy, sell, and exchange stocks and bonds;

(2) establish, continue, modify, or terminate an account with respect to stocks and bonds;

(3) pledge stocks and bonds as security to borrow, pay, renew, or extend the time of payment of a debt of the principal;

(4) receive certificates and other evidences of ownership with respect to stocks and bonds; and

(5) exercise voting rights with respect to stocks and bonds in person or by proxy, enter into voting trusts, and consent to limitations on the right to vote.

§ 4037. COMMODITIES AND OPTIONS

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to commodities and options authorizes the agent to:

(1) buy, sell, exchange, assign, settle, and exercise commodity futures contracts and call or put options on stocks or stock indexes traded on a regulated option exchange; and

(2) establish, continue, modify, and terminate option accounts.

§ 4038. BANKS AND OTHER FINANCIAL INSTITUTIONS

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to banks and other financial institutions authorizes the agent to:

(1) continue, modify, and terminate an account or other banking arrangement made by or on behalf of the principal;

(2) establish, modify, and terminate an account or other banking arrangement with a bank, trust company, savings and loan association, credit union, thrift company, brokerage firm, or other financial institution selected by the agent;

(3) contract for services available from a financial institution, including renting a safe deposit box or space in a vault;

(4) withdraw, by check, order, electronic funds transfer, or otherwise, money or property of the principal deposited with or left in the custody of a financial institution;

(5) receive statements of account, vouchers, notices, and similar documents from a financial institution and act with respect to them;

(6) enter a safe deposit box or vault and withdraw or add to the contents;

(7) borrow money and pledge as security personal property of the principal necessary to borrow money or pay, renew, or extend the time of payment of a debt of the principal or a debt guaranteed by the principal;

(8) make, assign, draw, endorse, discount, guarantee, and negotiate promissory notes, checks, drafts, and other negotiable or nonnegotiable paper of the principal or payable to the principal or the principal's order; transfer money; receive the cash or other proceeds of those transactions; and accept a draft drawn by a person upon the principal and pay it when due;

(9) receive for the principal and act upon a sight draft, warehouse receipt, or other document of title whether tangible or electronic, or other negotiable or nonnegotiable instrument;

(10) apply for, receive, and use letters of credit, credit and debit cards, electronic transaction authorizations, and traveler's checks from a financial institution and give an indemnity or other agreement in connection with letters of credit; and

(11) consent to an extension of the time of payment with respect to commercial paper or a financial transaction with a financial institution.

§ 4039. OPERATION OF ENTITY OR BUSINESS

Subject to the terms of a document or an agreement governing an entity or an entity ownership interest, and unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to operation of an entity or business authorizes the agent to:

(1) operate, buy, sell, enlarge, reduce, or terminate an ownership interest;

(2) perform a duty or discharge a liability and exercise in person or by proxy a right, power, privilege, or option that the principal has, may have, or claims to have;

(3) enforce the terms of an ownership agreement;

(4) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to litigation to which the principal is a party because of an ownership interest;

(5) exercise in person or by proxy, or enforce by litigation or otherwise, a right, power, privilege, or option the principal has or claims to have as the holder of stocks and bonds;

(6) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to litigation to which the principal is a party concerning stocks and bonds;

(7) with respect to an entity or business owned solely by the principal:

(A) continue, modify, renegotiate, extend, and terminate a contract made by or on behalf of the principal with respect to the entity or business before execution of the power of attorney;

(B) determine:

(i) the location of its operation;

(ii) the nature and extent of its business;

(iii) the methods of manufacturing, selling, merchandising, financing, accounting, and advertising employed in its operation;

(iv) the amount and types of insurance carried; and

(v) the mode of engaging, compensating, and dealing with its employees and accountants, attorneys, or other advisors;

(C) change the name or form of organization under which the entity or business is operated and enter into an ownership agreement with other persons to take over all or part of the operation of the entity or business; and

(D) demand and receive money due or claimed by the principal or on the principal's behalf in the operation of the entity or business and control and disburse the money in the operation of the entity or business;

(8) put additional capital into an entity or business in which the principal has an interest;

(9) join in a plan of reorganization, consolidation, conversion, domestication, or merger of the entity or business;

(10) sell or liquidate all or part of an entity or business;

(11) establish the value of an entity or business under a buy-out agreement to which the principal is a party;

(12) prepare, sign, file, and deliver reports, compilations of information, returns, or other papers with respect to an entity or business and make related payments; and

(13) pay, compromise, or contest taxes, assessments, fines, or penalties and perform any other act to protect the principal from illegal or unnecessary taxation, assessments, fines, or penalties, with respect to an entity or business, including attempts to recover, in any manner permitted by law, money paid before or after the execution of the power of attorney.

§ 4040. INSURANCE AND ANNUITIES

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to insurance and annuities authorizes the agent to:

(1) continue, pay the premium or make a contribution on, modify, exchange, rescind, release, or terminate a contract procured by or on behalf of the principal that insures or provides an annuity to either the principal or another person, whether or not the principal is a beneficiary under the contract;

(2) procure new, different, and additional contracts of insurance and annuities for the principal and the principal's spouse, children, and other dependents and select the amount, type of insurance or annuity, and mode of payment;

(3) pay the premium or make a contribution on, modify, exchange, rescind, release, or terminate a contract of insurance or annuity procured by the agent;

(4) apply for and receive a loan secured by a contract of insurance or annuity;

(5) surrender and receive the cash surrender value on a contract of insurance or annuity;

(6) exercise an election;

(7) exercise investment powers available under a contract of insurance or annuity;

(8) change the manner of paying premiums on a contract of insurance or annuity;

(9) change or convert the type of insurance or annuity with respect to which the principal has or claims to have authority described in this section;

(10) apply for and procure a benefit or assistance under a statute or regulation to guarantee or pay premiums of a contract of insurance on the life of the principal;

(11) collect, sell, assign, hypothecate, borrow against, or pledge the interest of the principal in a contract of insurance or annuity;

(12) select the form and timing of the payment of proceeds from a contract of insurance or annuity; and

(13) pay, from proceeds or otherwise, compromise or contest, and apply for refunds in connection with, a tax or assessment levied by a taxing authority with respect to a contract of insurance or annuity or its proceeds or liability accruing by reason of the tax or assessment.

§ 4041. ESTATES, TRUSTS, AND OTHER BENEFICIAL INTERESTS

(a) As used in this section, "estate, trust, or other beneficial interest" means a trust, probate estate, guardianship, conservatorship, escrow, or custodianship or a fund from which the principal is, may become, or claims to be entitled to a share or payment.

(b) Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to estates, trusts, and other beneficial interests authorizes the agent to:

(1) accept, receive, receipt for, sell, assign, pledge, or exchange a share in or payment from an estate, trust, or other beneficial interest;

(2) demand or obtain money or another thing of value to which the principal is, may become, or claims to be entitled by reason of an estate, trust, or other beneficial interest, by litigation or otherwise;

(3) exercise for the benefit of the principal a presently exercisable general power of appointment held by the principal;

(4) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to litigation to ascertain the meaning, validity, or effect of a deed, will, declaration of trust, or other instrument or transaction affecting the interest of the principal;

(5) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to litigation to remove, substitute, or surcharge a fiduciary;

(6) conserve, invest, disburse, or use anything received for an authorized purpose; and

(7) transfer an interest of the principal in real property, stocks and bonds, accounts with financial institutions or securities intermediaries, insurance, annuities, and other property to the trustee of a revocable trust created by the principal as settlor.

§ 4042. CLAIMS AND LITIGATION

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to claims and litigation authorizes the agent to:

(1) assert and maintain before a court or administrative agency a claim, claim for relief, cause of action, counterclaim, offset, recoupment, or defense, including an action to recover property or other thing of value, recover damages sustained by the principal, eliminate or modify tax liability, or seek an injunction, specific performance, or other relief;

(2) bring an action to determine adverse claims or intervene or otherwise participate in litigation;

(3) seek an attachment, garnishment, order of arrest, or other preliminary, provisional, or intermediate relief and use an available procedure to effect or satisfy a judgment, order, or decree;

(4) make or accept a tender, offer of judgment, or admission of facts; submit a controversy on an agreed statement of facts; consent to examination; and bind the principal in litigation;

(5) submit to alternative dispute resolution, settle, and propose or accept a compromise;

(6) waive the issuance and service of process upon the principal; accept service of process; appear for the principal; designate persons upon which process directed to the principal may be served; execute and file or deliver stipulations on the principal's behalf; verify pleadings; seek appellate review; procure and give surety and indemnity bonds; contract and pay for the preparation and printing of records and briefs; and receive, execute, and file or deliver a consent, waiver, release, confession of judgment, satisfaction of judgment, notice, agreement, or other instrument in connection with the prosecution, settlement, or defense of a claim or litigation;

(7) act for the principal with respect to bankruptcy or insolvency, whether voluntary or involuntary, concerning the principal or some other person, or with respect to a reorganization, receivership, or application for the appointment of a receiver or trustee that affects an interest of the principal in property or other thing of value;

(8) pay a judgment, award, or order against the principal or a settlement made in connection with a claim or litigation; and

(9) receive money or other thing of value paid in settlement of or as proceeds of a claim or litigation.

§ 4043. PERSONAL AND FAMILY MAINTENANCE

(a) Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to personal and family maintenance authorizes the agent to:

(1) perform the acts necessary to maintain the customary standard of living of the principal, the principal's spouse, and the following individuals, whether living when the power of attorney is executed or later born:

(A) other individuals legally entitled to be supported by the principal; and

(B) the individuals whom the principal has customarily supported or indicated the intent to support;

(2) make periodic payments of child support and other family maintenance required by a court or governmental agency or an agreement to which the principal is a party;

(3) provide living quarters for the individuals described in subdivision (1) of this subsection by:

(A) purchase, lease, or other contract; or

(B) paying the operating costs, including interest, amortization payments, repairs, improvements, and taxes, for premises owned by the principal or occupied by those individuals;

(4) provide normal domestic help, usual vacations and travel expenses, and funds for shelter, clothing, food, appropriate education, including postsecondary and vocational education, and other current living costs for the individuals described in subdivision (1) of this subsection;

(5) pay expenses for necessary health care and custodial care on behalf of the individuals described in subdivision (1) of this subsection;

(6) act as the principal's personal representative pursuant to the Health Insurance Portability and Accountability Act; Sections 1171–1179 of the Social Security Act; 42 U.S.C. § 1320d, as amended; and applicable regulations in making decisions related to the past, present, or future payment

for the provision of health care consented to by the principal or anyone authorized under the law of this State to consent to health care on behalf of the principal;

(7) continue any provision made by the principal for automobiles or other means of transportation, including registering, licensing, insuring, and replacing them, for the individuals described in subdivision (1) of this subsection;

(8) maintain credit and debit accounts for the convenience of the individuals described in subdivision (1) of this subsection and open new accounts; and

(9) continue payments incidental to the membership or affiliation of the principal in a religious institution, club, society, order, or other organization or to continue contributions to those organizations.

(b) Authority with respect to personal and family maintenance is neither dependent upon, nor limited by, authority that an agent may or may not have with respect to gifts under this chapter.

§ 4044. BENEFITS FROM GOVERNMENTAL PROGRAMS OR CIVIL OR MILITARY SERVICE

(a) As used in this section, "benefits from governmental programs or civil or military service" means any benefit, program, or assistance provided under a statute or regulation, including Social Security, Medicare, Medicaid, and the Department of Veterans Affairs.

(b) Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to benefits from governmental programs or civil or military service authorizes the agent to:

(1) execute vouchers in the name of the principal for allowances and reimbursements payable by the United States or a foreign government or by a state or subdivision of a state to the principal, including allowances and reimbursements for transportation of the individuals described in subdivision 4043(a)(1) of this title and for shipment of their household effects;

(2) take possession and order the removal and shipment of property of the principal from a post, warehouse, depot, dock, or other place of storage or safekeeping, either governmental or private, and execute and deliver a release, voucher, receipt, bill of lading, shipping ticket, certificate, or other instrument for that purpose;

(3) enroll in, apply for, select, reject, change, amend, or discontinue, on the principal's behalf, a benefit or program;

(4) prepare, file, and maintain a claim of the principal for a benefit or assistance, financial or otherwise, to which the principal may be entitled under a statute or regulation;

(5) initiate, participate in, submit to alternative dispute resolution, settle, oppose, or propose or accept a compromise with respect to litigation concerning any benefit or assistance the principal may be entitled to receive under a statute or regulation; and

(6) receive the financial proceeds of a claim described in subdivision (4) of this subsection and conserve, invest, disburse, or use for a lawful purpose anything so received.

§ 4045. RETIREMENT PLANS

(a) As used in this section, "retirement plan" means a plan or account created by an employer, the principal, or another individual to provide retirement benefits or deferred compensation of which the principal is a participant, beneficiary, or owner, including a plan or account under the following sections of the Internal Revenue Code:

(1) an individual retirement account under Internal Revenue Code § 408, 26 U.S.C. § 408, as amended;

(2) a Roth individual retirement account under Internal Revenue Code § 408A, 26 U.S.C. § 408A, as amended;

(3) a deemed individual retirement account under Internal Revenue Code § 408(q), 26 U.S.C. § 408(q), as amended;

(4) an annuity or mutual fund custodial account under Internal Revenue Code § 403(b), 26 U.S.C. § 403(b), as amended;

(5) a pension, profit-sharing, stock bonus, or other retirement plan qualified under Internal Revenue Code § 401(a), 26 U.S.C. § 401(a), as amended;

(6) a plan under Internal Revenue Code § 457(b), 26 U.S.C. § 457(b), as amended; and

(7) a nonqualified deferred compensation plan under Internal Revenue Code § 409A, 26 U.S.C. § 409A, as amended.

(b) Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to retirement plans authorizes the agent to:

(1) select the form and timing of payments under a retirement plan and withdraw benefits from a plan;

(2) make a rollover, including a direct trustee-to-trustee rollover, of benefits from one retirement plan to another;

(3) establish a retirement plan in the principal's name;

(4) make contributions to a retirement plan;

(5) exercise investment powers available under a retirement plan; and

(6) borrow from, sell assets to, or purchase assets from a retirement plan.

§ 4046. TAXES

Unless the power of attorney otherwise provides, language in a power of attorney granting general authority with respect to taxes authorizes the agent to:

(1) prepare, sign, and file federal, state, local, and foreign income, gift, payroll, property, Federal Insurance Contributions Act, and other tax returns; claims for refunds; requests for extension of time; petitions regarding tax matters; and any other tax-related documents, including receipts; offers; waivers; consents, including consents and agreements under Internal Revenue Code § 2032A, 26 U.S.C. § 2032A, as amended; closing agreements; and any power of attorney required by the Internal Revenue Service or other taxing authority, including an internal revenue service form 2848 in favor of any third party with respect to a tax year upon which the statute of limitations has not run and the following 25 tax years;

(2) pay taxes due, collect refunds, post bonds, receive confidential information, and contest deficiencies determined by the Internal Revenue Service or other taxing authority;

(3) exercise any election available to the principal under federal, state, local, or foreign tax law; and

(4) act for the principal in all tax matters for all periods before the Internal Revenue Service, or other taxing authority.

§ 4047. GIFTS

(a) For purposes of this section, "gift" includes a gift for the benefit of a person, including a gift to a trust, an account under chapter 115 of this title (Vermont Uniform Transfers to Minors Act), and a tuition savings account or prepaid tuition plan as defined under Internal Revenue Code § 529, 26 U.S.C. § 529, as amended.

(b) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by the agent or, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:

(1) evidence of the principal's intent;

(2) the principal's personal history of making or joining in the making of lifetime gifts;

(3) the principal's estate plan;

(4) the principal's foreseeable obligations and maintenance needs and the impact of the proposed gift on the principal's housing options, access to care and services, and general welfare;

(5) the income, gift, estate, or inheritance tax consequences of the transaction; and

(6) whether the proposed gift creates a foreseeable risk that the principal will be deprived of sufficient assets to cover the principal's needs during any period of Medicaid ineligibility that would result from the proposed gift.

(c) An agent may make a gift of the principal's property only as the agent determines is consistent with the principal's objectives if actually known by the agent and, if unknown, as the agent determines is consistent with the principal's best interests based on all relevant factors, including:

(1) the value and nature of the principal's property;

(2) the principal's foreseeable obligations and need for maintenance;

(3) minimization of taxes, including income, estate, inheritance, generation-skipping transfer, and gift taxes;

(4) eligibility for a benefit, a program, or assistance under a statute or regulation; and

(5) the principal's personal history of making or joining in making gifts.

Subchapter 3. Statutory Forms

§ 4051. STATUTORY FORM POWER OF ATTORNEY

A document substantially in the following form may be used to create a statutory form power of attorney that has the meaning and effect prescribed by this chapter.

VERMONT STATUTORY FORM POWER OF ATTORNEY
IMPORTANT INFORMATION

This power of attorney authorizes another person (your agent) to make

decisions concerning your property for you (the principal). Your agent will be able to make decisions and act with respect to your property (including your money) whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

This power of attorney does not authorize the agent to make health-care decisions for you.

You should select someone you trust to serve as your agent. Unless you specify otherwise, generally the agent's authority will continue until you die or revoke the power of attorney or the agent resigns or is unable to act for you.

Your agent is entitled to reasonable compensation unless you state otherwise in the Special Instructions.

This form does not revoke powers of attorney previously executed by you unless you initial the introductory paragraph under DESIGNATION OF AGENT that all previous powers of attorney are revoked.

This form provides for designation of one agent. If you wish to name more than one agent, you may name a coagent in the Special Instructions. Coagents are not required to act together unless you include that requirement in the Special Instructions.

If your agent is unable or unwilling to act for you, your power of attorney will end unless you have named a successor agent. You may also name a second successor agent.

This power of attorney becomes effective immediately unless you state otherwise in the Special Instructions.

If you have questions about the power of attorney or the authority you are granting to your agent, you should seek legal advice before signing this form.

DESIGNATION OF AGENT

I _____ (Name of Principal) (___) revoke all previous powers of attorney and name the following person as my agent:

Name of Agent: _____

Agent's Address: _____

Agent's Telephone Number: _____

DESIGNATION OF SUCCESSOR AGENT(S) (OPTIONAL)

If my agent is unable or unwilling to act for me, I name as my successor agent:

Name of Successor Agent: _____

Successor Agent's Address: _____

Successor Agent's Telephone Number: _____

If my successor agent is unable or unwilling to act for me, I name as my second successor agent:

Name of Second Successor Agent: _____

Second Successor Agent's Address: _____

Second Successor Agent's Telephone Number: _____

GRANT OF GENERAL AUTHORITY

I grant my agent and any successor agent general authority to act for me with respect to the following subjects as defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

(INITIAL each subject you want to include in the agent's general authority. If you wish to grant general authority over all of the subjects, you may initial "All Preceding Subjects" instead of initialing each subject.)

(___) Real Property

(___) Tangible Personal Property

(___) Stocks and Bonds

(___) Commodities and Options

(___) Banks and Other Financial Institutions

(___) Operation of Entity or Business

(___) Insurance and Annuities

(___) Estates, Trusts, and Other Beneficial Interests

(___) Claims and Litigation

(___) Personal and Family Maintenance

(___) Benefits from Governmental Programs or Civil or Military Service

(___) Retirement Plans

(___) Taxes

(___) All Preceding Subjects

GRANT OF SPECIFIC AUTHORITY (OPTIONAL)

My agent MAY NOT do any of the following specific acts for me UNLESS I have INITIALED the specific authority listed below:

(CAUTION: Granting any of the following will give your agent the authority to take actions that could significantly reduce your property or change how your property is distributed at your death. INITIAL ONLY the specific authority you WANT to give your agent.)

(___) An agent who is not an ancestor, spouse, or descendant may exercise authority under this power of attorney to create in the agent or in an individual to whom the agent owes a legal obligation of support an interest in my property whether by gift, rights of survivorship, beneficiary designation, disclaimer, or otherwise

(___) Create, amend, revoke, or terminate an inter vivos, family, living, irrevocable, or revocable trust

(___) Consent to the modification or termination of a noncharitable irrevocable trust under 14A V.S.A. § 411

(___) Make a gift, subject to the limitations of 14 V.S.A. § 4047 (gifts) and any special instructions in this power of attorney

(___) Create, amend, or change rights of survivorship

(___) Create, amend, or change a beneficiary designation

(___) Waive the principal's right to be a beneficiary of a joint and survivor annuity, including a survivor benefit under a retirement plan

(___) Exercise fiduciary powers that the principal has authority to delegate

(___) Authorize another person to exercise the authority granted under this power of attorney

(___) Disclaim or refuse an interest in property, including a power of appointment

(___) Exercise authority with respect to elective share under 14 V.S.A. § 319

(___) Exercise waiver rights under 14 V.S.A. § 323

(___) Exercise authority over the content and catalogue of electronic communications and digital assets under 14 V.S.A. chapter 125 (Vermont Revised Uniform Fiduciary Access to Digital Assets Act)

(___) Exercise authority with respect to intellectual property, including, without limitation, copyrights, contracts for payment of royalties, and trademarks

(____) Convey, or revoke or revise a grantee designation, by enhanced life estate deed pursuant to chapter 6 of Title 27 or under common law.

LIMITATION ON AGENT'S AUTHORITY

An agent who is not my ancestor, spouse, or descendant MAY NOT use my property to benefit the agent or a person to whom the agent owes an obligation of support unless I have included that authority in the Special Instructions.

WHEN POWER OF ATTORNEY EFFECTIVE

This power of attorney becomes effective when executed unless the principal has initialed one of the following:

(____) This power of attorney is effective only upon my later incapacity.

OR

(_____) This power of attorney is effective only upon my later incapacity or unavailability.

OR

(_____) I direct that this power of attorney shall become effective when one or more of the following occurs:

_____
_____
_____
_____
_____
_____
_____

SPECIAL INSTRUCTIONS (OPTIONAL)

You may give special instructions on the following lines:

_____
_____
_____
_____
_____
_____
_____
_____

EFFECTIVE DATE

This power of attorney is effective immediately unless I have stated otherwise in the Special Instructions.

NOMINATION OF GUARDIAN (OPTIONAL)

If it becomes necessary for a court to appoint a guardian of my estate or a guardian of my person, I nominate the following person(s) for appointment:

Name of Nominee for [conservator or guardian] of my estate:

_____

Nominee's Address: _____

Nominee's Telephone Number: _____

Name of Nominee for guardian of my person: _____

Nominee's Address: _____

Nominee's Telephone Number: _____

RELIANCE ON THIS POWER OF ATTORNEY

Any person, including my agent, may rely upon the validity of this power of attorney or a copy of it unless that person knows it has terminated or is invalid. Unless expressly stated otherwise, this power of attorney is durable and shall remain valid if I become incapacitated or unavailable.

SIGNATURE AND ACKNOWLEDGMENT

_____

Your Name Printed

_____

Your Address

_____

Your Telephone Number

_____

State of _____

County of _____

This document was acknowledged before me on _____(Date)

by _____.

(Name of Principal)

_____(Seal, if any)

Signature of Notary _____

My commission expires: _____

IMPORTANT INFORMATION FOR AGENT

Agent's Duties

When you accept the authority granted under this power of attorney, a special legal relationship is created between you and the principal. This relationship imposes upon you legal duties that continue until you resign or the power of attorney is terminated or revoked. You must:

(1) do what you know the principal reasonably expects you to do with the principal's property or, if you do not know the principal's expectations, act in the principal's best interests;

(2) act in good faith;

(3) do nothing beyond the authority granted in this power of attorney; and

(4) disclose your identity as an agent whenever you act for the principal by writing or printing the name of the principal and signing your own name as "agent" in the following manner: (Principal's Name) by (Your Signature) as Agent.

Unless the Special Instructions in this power of attorney state otherwise, you must also:

(1) act loyally for the principal's benefit;

(2) avoid conflicts that would impair your ability to act in the principal's best interest;

(3) act with care, competence, and diligence;

(4) keep a record of all receipts, disbursements, and transactions made on behalf of the principal;

(5) cooperate with any person that has authority to make health-care decisions for the principal to do what you know the principal reasonably expects or, if you do not know the principal's expectations, to act in the principal's best interests; and

(6) attempt to preserve the principal's estate plan if you know the plan and preserving the plan is consistent with the principal's best interests.

Termination of Agent's Authority

You must stop acting on behalf of the principal if you learn of any event that terminates this power of attorney or your authority under this power of attorney. Events that terminate a power of attorney or your authority to act under a power of attorney include:

(1) death of the principal;

(2) the principal's revocation of the power of attorney or your authority;

(3) the occurrence of a termination event stated in the power of attorney;

(4) the purpose of the power of attorney is fully accomplished; or

(5) if you are married to the principal, a legal action is filed with a court to end your marriage, or for your legal separation, unless the Special Instructions in this power of attorney state that such an action will not terminate your authority.

Liability of Agent

The meaning of the authority granted to you is defined in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127. If you violate the Vermont Uniform Power of Attorney Act, or act outside the authority granted, you may be liable for any damages caused by your violation. In addition to civil liability, failure to comply with your duties and authority granted under this document could subject you to criminal prosecution.

If there is anything about this document or your duties that you do not understand, you should seek legal advice.

§ 4052. STATUTORY SHORT FORM POWER OF ATTORNEY FOR REAL ESTATE TRANSACTIONS

(a) A document substantially in the following form may be used to create a statutory form power of attorney for a real estate transaction that has the meaning and effect prescribed by this chapter.

VERMONT SHORT FORM POWER OF ATTORNEY FOR REAL ESTATE TRANSACTIONS

This power of attorney authorizes another person (your agent) to take actions for you (the principal) in connection with a real estate transaction (sale, purchase, mortgage, or gift). Your agent will be able to make decisions and

act with respect to a specific parcel of land whether or not you are able to act for yourself. The meaning of authority over subjects listed on this form is explained in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

DESIGNATION OF AGENT

I/we _____ and _____ (Name(s) of Principal) appoint the following person as my (our) agent:

Name of Agent: _____

Name of Alternate Agent: _____

Address of Property that is the subject of this power of attorney

(Street): _____, _____ (Municipality) _____, Vermont.

Transaction for which the power of attorney is given:

[ ] Sale

[ ] Purchase or Acquisition

[ ] Mortgage

[ ] Finance and/or Mortgage

[ ] Gift

GRANT OF AUTHORITY

I/we grant my (our) agent and any alternate agent authority named in this power of attorney to act for me/us with respect to a real estate transaction involving the property with the address stated above, including, but not limited to, the powers described in 14 V.S.A. § 4034(2), (3), and (4) as provided in the Vermont Uniform Power of Attorney Act, 14 V.S.A. chapter 127.

POWER TO DELEGATE

[ ] If this box is checked, each agent appointed in this power of attorney may delegate the authority to act to another person. Any delegation shall be in writing and executed in the same manner as this power of attorney.

TERM

This power of attorney commences when fully executed and continues until the real estate transaction for which it was given is complete.

SELF DEALING

[ ] If this box is checked, the agent named in this power of attorney may convey the subject real estate with or without consideration to the agent, individually, in trust, or to one or more persons with the agent.

CHOICE OF LAW

This power of attorney and the effect hereof shall be determined by the application of Vermont law and the Vermont Uniform Power of Attorney Act.

SIGNATURE AND ACKNOWLEDGMENT

_____

Your Name Printed

_____

Your Address

_____

Your Telephone Number

_____

State of _____

County of _____

This document was acknowledged before me on _____(Date)

by _____.

(Name of Principal)

_____(Seal, if any)

Signature of Notary _____

My commission expires: _____

(b) A power of attorney in the form above confers on the agent the powers provided in subdivisions 4034 (2), (3) and (4) of this chapter.

§ 4053. AGENT'S CERTIFICATION

The following optional form may be used by an agent to certify facts concerning a power of attorney.

AGENT'S CERTIFICATION AS TO THE VALIDITY OF POWER OF ATTORNEY AND AGENT'S AUTHORITY

State of _____

[County] of _____]

I, _____ (Name of Agent), certify under penalty of perjury that _____(Name of Principal) granted me authority as an agent or successor agent in a power of attorney dated _____.

I further certify that to my knowledge:

(1) the Principal is alive and has not revoked the Power of Attorney or my authority to act under the Power of Attorney and the Power of Attorney and my authority to act under the Power of Attorney have not terminated;

(2) if the Power of Attorney was drafted to become effective upon the happening of an event or contingency, the event or contingency has occurred;

(3) if I was named as a successor agent, the prior agent is no longer able or willing to serve; and

(4) (Insert other relevant statements below)

_____

_____

_____

_____

_____

_____

SIGNATURE AND ACKNOWLEDGMENT

_____

_____

Agent's Name Printed

_____

Agent's Address

_____

Agent's Telephone Number

This document was acknowledged before me on _____,

(Date)

by _____

(Name of Agent)

_____(Seal, if any)

Signature of Notary

My commission expires: _____

Subchapter 4. Miscellaneous Provisions

§ 4061. UNIFORMITY OF APPLICATION AND CONSTRUCTION

In applying and construing this uniform act, consideration shall be given to the need to promote uniformity of the law with respect to its subject matter among the states that enact it.

§ 4062. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT

This chapter modifies, limits, and supersedes the federal Electronic Signatures in Global and National Commerce Act, 15 U.S.C. § 7001 et seq., but does not modify, limit, or supersede subsection 101(c) of that act, 15 U.S.C. § 7001(c), or authorize electronic delivery of any of the notices described in subsection 103(b) of that act, 15 U.S.C. § 7003(b).

§ 4063. EFFECT ON EXISTING POWERS OF ATTORNEY

Except as otherwise provided in this chapter, on July 1, 2023:

(1) this chapter applies to a power of attorney created before, on, or after July 1, 2023;

(2) this chapter applies to a judicial proceeding concerning a power of attorney commenced on or after July 1, 2023;

(3) this chapter applies to a judicial proceeding concerning a power of attorney commenced before July 1, 2023 unless the court finds that application of a provision of this chapter would substantially interfere with the effective conduct of the judicial proceeding or prejudice the rights of a party, in which case that provision does not apply and the superseded law applies; and

(4) an act done before July 1, 2023 is not affected by this chapter.

Sec. 2. REPEAL

14 V.S.A. chapter 123 (powers of attorney) is repealed.

Sec. 3. 14A V.S.A. § 401 is amended to read:

§ 401. METHODS OF CREATING TRUST

A trust may be created:

(1) by transfer of property to another person as trustee or to the trust in the trust's name during the settlor's lifetime or by will or other disposition taking effect upon the settlor's death;

(2) by declaration by the owner of property that the owner holds identifiable property as trustee;

(3) by exercise of a power of appointment in favor of a trustee;

(4) pursuant to a statute or judgment or decree that requires property to be administered in the manner of an express trust; or

(5)~~(A)~~ by an agent or attorney-in-fact under a power of attorney that expressly grants authority to create the trust~~; or~~

~~(B) by an agent or attorney-in-fact under a power of attorney that grants the agent or attorney-in-fact the authority to act in the management and disposition of the principal's property that is as broad or comprehensive as the principal could exercise for himself or herself and that does not expressly exclude the authority to create a trust, provided that any trust so created does not include any authority or powers that are otherwise prohibited by 14 V.S.A. § 3504. An agent or attorney-in-fact may petition the Probate Division of the Superior Court to determine whether a power of attorney described in this subdivision grants the agent or attorney-in-fact authority that is as broad or comprehensive as that which the principal could exercise for himself or herself~~.

Sec. 4. EFFECTIVE DATE

This act shall take effect on 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.

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. 31. An act relating to aquatic nuisance control.

H. 62. An act relating to the interstate Counseling Compact.

H. 67. An act relating to household products containing hazardous substances.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 77.

House bill entitled:

An act relating to Vermont's adoption of the Physical Therapy Licensure Compact was taken up.

Thereupon, pending third reading of the bill, Senator Weeks moved that the Senate propose to the House to amend the bill in Sec. 2, 3 V.S.A. § 123(j)(1), in subdivision (E), following the words "physical therapists", by inserting the words and physical therapist assistants

Which was agreed to.

Thereupon, the bill was read a third time and passed.

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. 86. An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact.

H. 126. An act relating to community resilience and biodiversity protection.

H. 171. An act relating to adult protective services.

Bill Passed in Concurrence

H. 282.

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

An act relating to the Psychology Interjurisdictional Compact.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 461.

House bill entitled:

An act relating to making miscellaneous changes in education laws.

Was taken up.

Thereupon, pending third reading of the bill, Senators Hardy, Clarkson, Vyhovsky, Watson and White moved to amend the proposal of amendment as follows:

First: By striking out Sec. 9, 16 V.S.A. § 711, in its entirety and inserting in lieu thereof the following:

Sec. 9. 16 V.S.A. § 711 is amended to read:

§ 711. VOTE TO ELECT INITIAL MEMBERS OF THE UNION SCHOOL DISTRICT BOARD

* * *

(d) Proposed unified union school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of a proposed unified union school district, as follows:

* * *

(3) At-large representation. When representation on the board of a proposed unified union school district is not apportioned or allocated to the potential towns within the proposed district pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection and the board member is elected at-large:

(A) The voters of one or more school districts identified as "necessary" to formation of the proposed unified union school district shall file a petition nominating a candidate for the office of unified union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in one or more school districts identified as "necessary" to the formation of the proposed unified union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed unified union school district, whichever is less;

* * *

(e) Proposed union elementary or union high school district. Subject to the provisions of subsections 706(c) (existing union school districts) and 708(b) (necessary and advisable school districts) of this chapter, the voters of each

school district identified as "necessary" or "advisable" shall vote whether to elect initial board members of the proposed union school district, as follows:

* * *

(3) At-large representation. When representation on the board of a proposed union elementary or union high school district board is not apportioned or allocated to the potential member districts pursuant to subdivision (1) (proportional to town population) or (2) (modified at large) of this subsection and the board member is elected at-large:

(A) The voters of one or more school districts identified as "necessary" to the formation of the proposed union school district shall file a petition nominating a candidate for the office of union school district board member at-large. A petition shall be valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in one or more school districts identified as "necessary" to the formation of the proposed union school district or one percent of the legal voters residing in the combined "necessary" school districts that would form the proposed union school district, whichever is less;

* * *

Second: By striking out Sec. 10, 16 V.S.A. § 730, in its entirety and inserting in lieu thereof the following:

Sec. 10. 16 V.S.A. § 730 is amended to read:

§ 730. UNIFIED UNION SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection ~~(a)~~ shall apply to a unified union school district that conducts elections for board membership by Australian ballot.

* * *

(2) Modified at-large model: allocation to town; at-large representation.

(A) When membership on the board of a unified union school district is allocated to each town within the district, but the allocation is not closely proportional to the town's relative population and the board member is elected at-large, the voters residing in any one or more of the towns within the district may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

* * *

(3) At-large representation.

(A) When membership on a unified union school district board is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) and the board member is elected at large, the voters residing in any one or more of the towns within the district may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the unified union school district or one percent of the legal voters in the district, whichever is less;

* * *

Third: By striking out Sec. 11, 16 V.S.A. § 748, in its entirety and inserting in lieu thereof the following:

Sec. 11. 16 V.S.A. § 748 is amended to read:

§ 748. UNION ELEMENTARY AND UNION HIGH SCHOOL DISTRICT BOARD MEMBERS; NOMINATION AND ELECTION; BOND

(a) If by Australian ballot. The provisions of this subsection ~~(a)~~ shall apply to a union elementary or union high school district that conducts elections for board membership by Australian ballot.

* * *

(2) Modified at-large model: allocation to town; at-large representation.

(A) When membership on the board of a union elementary or union high school district is allocated to each member district, but the allocation is not closely proportional to the member district's population and the board member is elected at-large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for board membership under the "modified at-large" model. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

(3) At-large representation.

(A) When membership on the board of a union elementary or union high school district is not apportioned or allocated pursuant to subdivision (1) (proportional to town population) or (2) (modified at-large) of this subsection (a) (Australian ballot) and the board member is elected at large, the voters residing in any one or more of the member districts may file a petition nominating a candidate for at-large board membership. A petition is valid only if:

* * *

(iii) the petition is signed by at least 60 voters residing in the union elementary or union high school district or one percent of the legal voters in the district, whichever is less;

* * *

Which was agreed to.

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

Bills Passed in Concurrence with Proposals of Amendment

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

H. 476. An act relating to miscellaneous changes to law enforcement officer training laws.

H. 488. An act relating to approval of the adoption of the charter of the Town of Ludlow.

Third Readings Ordered

H. 175.

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

An act relating to modernizing the Children and Family Council for Prevention Programs.

Reported that the bill ought to pass in concurrence.

Senator McCormack, for the Committee on Finance, to which the bill was referred, reported the bill ought to pass.

Senator Kitchel, for the Committee on Appropriations, to which the bill was referred, reported the bill ought to pass.

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

H. 489.

Senator Clarkson, 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 Shelburne.

Reported that the bill ought to pass in concurrence.

Senator Chittenden, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass.

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

President *pro tempore* Assumes the Chair

H. 504.

Senator Watson, 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 Berlin.

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.

President Resumes the Chair

H. 505.

Senator Clarkson, 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 City of Rutland.

Reported that the bill ought to pass in concurrence.

Senator McCormack, for the Committee on Finance, to which the bill was referred, reported that the bill ought to pass.

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

H. 506.

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

An act relating to approval of amendments to the election boundary provisions of the charter of the City of Burlington.

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. 507.

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

An act relating to approval of amendments to the polling place provisions of the charter of the City of Burlington.

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. 508.

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

An act relating to approval of an amendment to the ranked choice voting provisions of the charter of the City of Burlington.

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, on a roll call, Yeas 21, Nays 6.

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: Baruth, Bray, Campion, Chittenden, Clarkson, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Starr, Weeks, Williams.

Those Senators absent and not voting were: Cummings, Perchlik, Westman.

H. 509.

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

An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

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, on a roll call, Yeas 21, Nays 8.

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: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Mazza, Norris, Starr, Weeks, Williams.

The Senator absent and not voting was: Westman.

Third Reading Ordered; Rules Suspended; Bill Passed in Concurrence with Proposals Of Amendment; Rules Suspended; Bill Messaged

H. 490.

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

An act relating to approving the merger of the Village of Lyndonville with the Town of Lyndon.

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

First: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 12 (adoption of ordinances by initiative), in subsection (a), by renumbering subdivisions (2), (3), and (4) to be subdivisions (3), (4), and (5), and by adding a new subdivision (2) to read as follows:

(2) The proposed ordinance shall be examined by the Town attorney before being submitted to the special Town meeting. The Town attorney is authorized, subject to the approval of the Selectboard, to amend the petitioned ordinance to:

(A) correct repetitive, unlawful, or unconstitutional provisions; and

(B) ensure accuracy, clarity, and precision in its text, legal references, and phrasing, provided that these technical corrections shall not change the meaning or effect of the proposed ordinance.

Second: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 42 (Town meetings), in subsection (b), following the word "The" by striking out the words "ballot boxes" and inserting in lieu thereof the words polling places

Third: In Sec. 2, 24 App. V.S.A. chapter 126 (Town of Lyndon), in section 82 (Board of Electric Commissioners), in subsection (f), by striking out the word "and" following the semicolon at the end of subdivision (1); by striking out the period at the end of subdivision (2) and inserting in lieu thereof ; and; and in subdivision (3), by striking out the word "Consistent" and inserting in lieu thereof the word consistent

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

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

Thereupon, on motion of Senator Baruth, the rules were suspended, and the bill was placed in all remaining stages of passage.

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

Proposals of Amendment; Third Reading Ordered

H. 158.

Senator White, for the Committee on Natural Resources and Energy, to which was referred House bill entitled:

An act relating to the beverage container redemption system.

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

First: In Sec. 1, 10 V.S.A. chapter 53, in section 1523, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b)(1) A retailer~~, with the prior approval of the Secretary,~~ may refuse to redeem beverage containers if a ~~redemption center or centers are established that serve the public need~~ stewardship plan that meets the requirements of section 1532 of this title has been implemented by the producer responsibility organization in the State and the retailer's building is less than 5,000 square feet.

(2) A manufacturer or distributor that sells directly to a consumer from a retail location may refuse to redeem beverage containers if the retail location where the manufacturer or distributor sells beverage containers is less than 5,000 square feet.

Second: In Sec. 1, 10 V.S.A. chapter 53, in section 1532, by inserting a subsection (d) to read as follows:

(d) Revision of stewardship goals. If the producer responsibility organization fails to meet the beverage container redemption rate in section 1534 of this title for vinous beverage containers or for all other beverage containers, the Secretary may require the producer responsibility organization to implement activities to enhance the rate of redemption, including additional public education and outreach, additional redemption sites, or additional redemption opportunities.

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

Senator Bray, 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 Natural Resources and Energy with the following amendments thereto:

First: In Sec. 1, 10 V.S.A. chapter 53, in section 1534, by striking out subsections (b) and (c) in their entireties and inserting in lieu thereof a new subsection (b) to read as follows:

(b)(1) Beginning on July 1, 2025 and annually thereafter, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and Energy and on Ways and Means a written report containing the current beverage container redemption rate in the State for the following three categories of beverage containers:

(A) liquor bottles;

(B) vinous beverage containers; and

(C) all other beverage containers.

(2) Each annual report submitted under subdivision (1) of this subsection shall include a recommendation of whether the beverage container deposit for any of the three beverage categories should be increased to improve redemption of that category of beverage container.

Second: By striking out Sec. 7, systems analysis of beverage container system, in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

Sec. 7. SYSTEMS ANALYSIS OF BEVERAGE CONTAINER SYSTEM

(a) The Agency of Natural Resources shall contract with an independent third-party consultant to conduct a systems analysis of the efficacy and cost of Vermont's beverage container redemption system. The analysis shall estimate:

(1) the total system costs and savings associated with the implementation of the expanded beverage container redemption system under 10 V.S.A. chapter 53, including climate impacts;

(2) the cost to consumers of complying with an expanded beverage container redemption system, including transportation costs, compliance costs, carbon impact, and externalities, such as lost time;

(3) the impacts of an expanded beverage container redemption system on the recycling system, including how much additional beverage container material will be collected by the expansion of the beverage container redemption system; the cost to solid waste entities of an expanded beverage container redemption system, including lost revenues from the sale of recyclable materials; the operational savings, if any, on material recovery facilities; the loss to material recovery facilities from the removal of material

collected under the beverage container redemption system material from the recycling system; and an estimate of the impacts on tipping fees or solid waste fees at each material recovery facility or solid waste transfer station;

(4) the costs of operating a redemption center and other alternate points of redemption under a stewardship plan and a recommendation on whether the handling fee for redeemed containers should be altered or replaced with an alternative means of compensating points of redemption;

(5) the impact on overall recycling in the State and the redemption rates of beverage containers under 10 V.S.A. chapter 53 if the producer responsibility organization (PRO) implementing the stewardship plan under that chapter were authorized to retain 100 percent, 50 percent, or none of the abandoned beverage container deposits, including:

(A) the estimated number of beverage container redemption sites in the State under the PRO's stewardship plan under each option for the PRO's retention of the abandoned beverage container deposits; and

(B) the geographic distribution of beverage container redemption sites across the State under the PRO's stewardship plan under each option for the PRO's retention of the abandoned beverage container deposits; and

(6) the impact on the Clean Water Fund and State implementation of the State's water quality programs and regulatory requirements if the abandoned beverage container deposits were not deposited into the Clean Water Fund under 10 V.S.A. § 1388.

(b) On or before January 15, 2025, the Agency of Natural Resources shall submit to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy a written report containing the results of the systems analysis required under subsection (a) of this section.

Third: By adding a Sec. 7a to read as follows:

Sec. 7a. ANR REPORT ON STATUS REPORT OF RECYCLING SYSTEM

On or before January 15, 2026, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and Energy and on Ways and Means a report on the status of the State's recycling system prior to the expansion of the beverage container redemption system required under this act. The report shall include:

(1) a summary of the operation of the Agency of Natural Resources' approved stewardship plan since March 1, 2025 by the producer responsibility organization registered with the Agency;

(2) identification of the points of redemption under the existing stewardship plan, including:

(A) an assessment of whether the existing points of redemption allow for convenient and reasonable access of all Vermonters to redemption opportunities;

(B) an assessment of whether the existing points of redemption are suitable for redemption by all Vermonters under the planned expansion of the beverage container system; and

(C) any recommendations to improve the convenience of redemption prior to the expansion of the beverage container redemption system; and

(3) a summary of the infrastructure in the State, other than points of redemption, available for the management and processing of beverage containers and an assessment of whether additional infrastructure is needed prior to the expansion of the beverage container redemption system.

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

Senator Lyons, for the Committee on Appropriations, to which was referred the bill, recommended the bill ought to pass in concurrence with such proposals 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 Natural Resources and Energy was amended as recommended by the Committee on Finance.

Thereupon, the proposals of amendment recommended by the Committee on Natural Resources and Energy, as amended, were agreed to.

Thereupon, third reading of the bill was ordered, on a roll call, Yeas 19, Nays 11.

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: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Kitchel, Mazza, Norris, Sears, Starr, Weeks, Williams.

President *pro tempore* Assumes the Chair

President Resumes the Chair

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 31, H. 62, H. 67, H. 77, H. 86, H. 126, H. 171, H. 282, H. 452, H. 461, H. 476, H. 488, H. 490.

Recess

On motion of Senator Baruth the Senate adjourned until four o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Rules Suspended; Immediate Consideration

On motion of Senator Baruth, the rules were suspended, and the following bills were ordered to be brought up for immediate consideration:

H. 489, H. 504, H. 505, H. 506, H. 507, S. 4, S. 6, S. 33, S.47, S. 89, H.479.

Bills Passed in Concurrence

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

H. 489. An act relating to approval of an amendment to the charter of the Town of Shelburne.

H. 504. An act relating to approval of amendments to the charter of the Town of Berlin.

H. 505. An act relating to approval of an amendment to the charter of the City of Rutland.

H. 506. An act relating to approval of amendments to the election boundary provisions of the charter of the City of Burlington.

H. 507. An act relating to approval of amendments to the polling place provisions of the charter of the City of Burlington.

House Proposal of Amendment Concurred In

S. 4.

House proposal of amendment to Senate bill entitled:

An act relating to reducing crimes of violence associated with juveniles and dangerous weapons.

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. 33 V.S.A. § 5204 is amended to read:

§ 5204. TRANSFER FROM FAMILY DIVISION OF THE SUPERIOR COURT

(a) After a petition has been filed alleging delinquency, upon motion of the State's Attorney and after hearing, the Family Division of the Superior Court may transfer jurisdiction of the proceeding to the Criminal Division of the Superior Court if the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred and the delinquent act set forth in the petition is a felony not specified in subdivisions (1)-(12) of this subsection or if the child had attained 12 years of age but not 14 years of age at the time the act was alleged to have occurred, and if the delinquent act set forth in the petition was any of the following:

(1) arson causing death as defined in 13 V.S.A. § 501 or an attempt to commit that offense;

(2) assault and robbery with a dangerous weapon as defined in 13 V.S.A. § 608(b) or an attempt to commit that offense;

(3) assault and robbery causing bodily injury as defined in 13 V.S.A. § 608(c) or an attempt to commit that offense;

(4) aggravated assault as defined in 13 V.S.A. § 1024 or an attempt to commit that offense;

(5) murder as defined in 13 V.S.A. § 2301 and aggravated murder as defined in 13 V.S.A. § 2311 or an attempt to commit either of those offenses;

(6) manslaughter as defined in 13 V.S.A. § 2304 or an attempt to commit that offense;

(7) kidnapping as defined in 13 V.S.A. § 2405 or an attempt to commit that offense;

(8) unlawful restraint as defined in 13 V.S.A. § 2406 or 2407 or an attempt to commit that offense;

(9) maiming as defined in 13 V.S.A. § 2701 or an attempt to commit that offense;

(10) sexual assault as defined in 13 V.S.A. § 3252(a)(1) or (a)(2) or an attempt to commit that offense;

(11) aggravated sexual assault as defined in 13 V.S.A. § 3253 and aggravated sexual assault of a child as defined in 13 V.S.A. § 3253a or an attempt to commit either of those offenses; or

(12) burglary into an occupied dwelling as defined in 13 V.S.A. § 1201(c) or an attempt to commit that offense.

(b)(1) The State's Attorney of the county where the juvenile petition is pending may move in the Family Division of the Superior Court for an order transferring jurisdiction under subsection (a) of this section at any time prior to adjudication on the merits. The filing of the motion to transfer jurisdiction shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(2)(A)(i) The Family Division of the Superior Court shall hold a hearing under subsection (c) of this section to determine whether jurisdiction should be transferred to the Criminal Division under subsection (a) of this section if the delinquent act set forth in the petition is:

(I) a felony violation of 18 V.S.A. chapter 84 for selling or trafficking a regulated drug;

(II) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653;

(III) defacing a firearm's serial number in violation of 13 V.S.A. § 4024; or

(IV) straw purchasing of firearm in violation of 13 V.S.A. § 4025; and

(ii) the child had attained 16 years of age but not 19 years of age at the time the act was alleged to have occurred.

(B) A transfer hearing required by this subdivision (2) shall occur without delay and as soon as practicable, and the State shall have the burden of proof. The court decision to hold the transfer hearing shall automatically stay the time for the hearing provided for in section 5225 of this title, which stay

shall remain in effect until such time as the Family Division of the Superior Court may deny the motion to transfer jurisdiction.

(c) Upon the filing of a motion to transfer jurisdiction under ~~subsection (b)~~ subdivision (b)(1) of this section, or in cases where a hearing is required under subdivision (b)(2) of this section, the Family Division of the Superior Court shall conduct a hearing in accordance with procedures specified in subchapter 2 of this chapter to determine whether:

(1) there is probable cause to believe that the child committed the charged offense; and

(2) public safety and the interests of the community would not be served by treatment of the child under the provisions of law relating to the Family Division of the Superior Court and delinquent children.

(d) In making its determination as required under subsection (c) of this section, the court may consider, among other matters:

(1) the maturity of the child as determined by consideration of the child's age, home, and environment; emotional, psychological, and physical maturity; and relationship with and adjustment to school and the community;

(2) the extent and nature of the child's prior record of delinquency;

(3) the nature of past treatment efforts and the nature of the child's response to them, including the child's mental health treatment and substance abuse treatment and needs;

(4) the nature and circumstances of the alleged offense, including whether the alleged offense was committed in an aggressive, violent, premeditated, or willful manner;

(5) the nature of any personal injuries resulting from or intended to be caused by the alleged act;

(6) the prospects for rehabilitation of the child by use of procedures, services, and facilities available through juvenile proceedings;

(7) whether the protection of the community would be better served by transferring jurisdiction from the Family Division to the Criminal Division of the Superior Court;

(8) the youth's residential housing status;

(9) the youth's employment and educational situation;

(10) whether the youth has complied with conditions of release;

(11) the youth's criminal record and whether the youth has engaged in subsequent criminal or delinquent behavior since the original charge;

(12) whether the youth has connections to the community; and

(13) the youth's history of violence and history of illegal or violent conduct involving firearms.

(e) A transfer under this section shall terminate the jurisdiction of the Family Division of the Superior Court over the child only with respect to those delinquent acts alleged in the petition with respect to which transfer was sought.

(f)(1) The Family Division, following completion of the transfer hearing, shall make findings and, if the court orders transfer of jurisdiction from the Family Division, shall state the reasons for that order. If the Family Division orders transfer of jurisdiction, the child shall be treated as an adult. The State's Attorney shall commence criminal proceedings as in cases commenced against adults.

(2) Notwithstanding subdivision (1) of this subsection, the parties may stipulate to a transfer of jurisdiction from the Family Division at any time after a motion to transfer is made pursuant to subsection (b) of this section. The court shall not be required to make findings if the parties stipulate to a transfer pursuant to this subdivision. Upon acceptance of the stipulation to transfer jurisdiction, the court shall transfer the proceedings to the Criminal Division and the child shall be treated as an adult. The State's Attorney shall commence criminal proceedings as in cases commenced against adults.

(3) Notwithstanding subdivision (1) of this subsection, the parties may stipulate to convert the juvenile proceeding to a youthful offender proceeding under chapter 52A of this title. If the parties stipulate to convert the proceeding pursuant to this subdivision, the court may proceed immediately to a youthful offender consideration hearing under section 5283 of this title. The Court shall request that the Department complete a youthful offender consideration report under section 5282 of this title before accepting a case for youthful offender treatment pursuant to this subdivision.

* * *

Sec. 2. 33 V.S.A. § 5201 is amended to read:

§ 5201. COMMENCEMENT OF DELINQUENCY PROCEEDINGS

* * *

(c)(1) Any proceeding concerning a child who is alleged to have committed an act specified in subsection 5204(a) of this title after attaining 14

years of age, but not 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division.

(2)(A) Any proceeding concerning a child who is alleged to have committed one of the following acts after attaining 14 years of age, but not 22 years of age, shall originate in the Criminal Division of the Superior Court, provided that jurisdiction may be transferred in accordance with this chapter and chapter 52A of this title, unless the State's Attorney files the charge directly as a youthful offender petition in the Family Division:

(i) a violation of a condition of release as defined in 13 V.S.A. § 7559 imposed by the Criminal Division for any of the offenses listed in subsection 5204(a) of this title; or

(ii) a violation of a condition of release as defined in 13 V.S.A. § 7559 imposed by the Criminal Division for an offense that was transferred from the Family Division pursuant to section 5204 of this title.

(B) This subdivision (2) shall not apply to a proceeding that is the subject of a final order accepting the case for youthful offender treatment pursuant to subsection 5281(d) of this title.

* * *

Sec. 3. 18 V.S.A. § 4252 is amended to read:

§ 4252. ~~PENALTIES FOR DISPENSING OR SELLING~~ KNOWINGLY PERMITTING SALE OF REGULATED DRUGS IN A DWELLING

(a) No person shall knowingly permit a dwelling, building, or structure owned by or under the control of the person to be used for the purpose of illegally ~~dispensing or~~ selling a regulated drug.

(b) ~~A landlord shall be in violation of subsection (a) of this section only if the landlord knew at the time he or she signed the lease agreement that the tenant intended to use the dwelling, building, or structure for the purpose of illegally dispensing or selling a regulated drug.~~ [Repealed.]

(c) A person who violates this section shall be imprisoned not more than two years or fined not more than ~~$1,000.00~~ $15,000.00, or both.

(d) It shall not be a violation of this section if the person who owns or controls the dwelling, building, or structure takes action to address the unlawful activity.

Sec. 4. 13 V.S.A. chapter 60, subchapter 1, is amended to read:

Subchapter 1. Criminal Acts

* * *

§ 2659. KNOWINGLY PERMITTING HUMAN TRAFFICKING IN A DWELLING

(a) No person shall knowingly permit a dwelling, building, or structure owned by or under the control of the person to be used for the purpose of human trafficking or aggravated human trafficking in violation of section 2652 or 2653 of this title.

(b) A person who violates this section shall be imprisoned not more than two years or fined not more than $15,000.00, or both.

(c) It shall not be a violation of this section if the person who owns or controls the dwelling, building, or structure takes action to address the unlawful activity.

Sec. 5. 13 V.S.A. § 4024 is added to read:

§ 4024. DEFACING OF FIREARM'S SERIAL NUMBER

(a) A person shall not knowingly possess a firearm that has had the importer's or manufacturer's serial number removed, obliterated, or altered.

(b) A person who violates this section shall be imprisoned not more than five years or fined not more than $50,000.00, or both.

(c) As used in this section:

(1) "Firearm" has the same meaning as in section 4017 of this title.

(2) "Importer" means any person engaged in the business of importing or bringing firearms or ammunition into the United States for purposes of sale or distribution.

(3) "Manufacturer" means any person engaged in the business of manufacturing firearms or ammunition for purposes of sale or distribution.

Sec. 6. 13 V.S.A. § 4025 is added to read:

§ 4025. STRAW PURCHASING OF FIREARMS

(a) A person shall not purchase a firearm for, on behalf of, or at the request of another person if the purchaser knows or reasonably should know that the other person:

(1) is prohibited by state or federal law from possessing a firearm;

(2) intends to carry the firearm while committing a felony; or

(3) intends to transfer the firearm to another person who:

(A) is prohibited by state or federal law from possessing a firearm; or

(B) intends to carry the firearm while committing a felony.

(b) It shall not be a violation of this section if the person purchased the firearm as a result of threats or coercion by another person.

(c) A person who violates this section shall be imprisoned not more than five years or fined not more than $50,000.00, or both.

(d) As used in this section, "firearm" has the same meaning as in section 4017 of this title.

Sec. 7. 13 V.S.A. § 4017a is added to read:

§ 4017a. FUGITIVES FROM JUSTICE; PERSONS SUBJECT TO FINAL RELIEF FROM ABUSE OR STALKING ORDER; PERSONS CHARGED WITH CERTAIN OFFENSES; PROHIBITION ON POSSESSION OF FIREARMS

(a) A person shall not possess a firearm if the person:

(1) is a fugitive from justice;

(2) is the subject of a final relief from abuse order issued pursuant to 15 V.S.A. § 1104;

(3) is the subject of a final order against stalking issued pursuant to 12 V.S.A. § 5133 if the order prohibits the person from possessing a firearm; or

(4) against whom charges are pending for:

(A) carrying a dangerous weapon while committing a felony in violation of section 4005 of this title;

(B) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1; or

(C) human trafficking or aggravated human trafficking in violation of section 2652 or 2653 of this title.

(b) A person who violates this section shall be imprisoned not more than two years or fined not more than $1,000.00, or both.

(c) As used in this section:

(1) "Firearm" has the same meaning as in section 4017 of this title.

(2) "Fugitive from justice" means a person who has fled to avoid prosecution for a crime or to avoid giving testimony in a criminal proceeding.

Sec. 8. 13 V.S.A. § 4005 is amended to read:

§ 4005. WHILE COMMITTING A ~~CRIME~~ FELONY

(a) Except as otherwise provided in 18 V.S.A. § 4253, a person who carries a dangerous or deadly weapon, openly or concealed, while committing a felony shall be imprisoned not more than five years or fined not more than $500.00, or both.

(b)(1) Carrying a firearm while committing a felony in violation of this section may be considered a violent act for the purposes of determining whether a person is eligible for bail under section 7553a of this title.

(2) An offense that is a felony rather than a misdemeanor solely because of the monetary value of the property involved shall not be considered a violent act under this subsection.

Sec. 9. 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 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.

* * *

(d) Such records and files shall be available to:

(1) State's Attorneys and all other law enforcement officers in connection with record checks and other legal purposes; and

(2) the National Instant Criminal Background Check System in connection with a background check conducted on a person under 22 years of age pursuant to 18 U.S.C. § 922(t)(1)(C) and 34 U.S.C. § 40901(l).

* * *

Sec. 10. 18 V.S.A. § 13 is added to read:

§ 13. COMMUNITY VIOLENCE PREVENTION PROGRAM

(a)(1) There is established the Community Violence Prevention Program to be administered by the Department of Health in consultation and collaboration with the Chief Prevention Officer, the Department of Public Safety, the Director of Violence Prevention, the Executive Director of Racial Equity, and the Council for Equitable Youth Justice. The Program shall work with communities to implement innovative, evidence-based, and evidence-informed programs addressing causes of youth and community violence.

(2) Grants awarded pursuant to this section shall be at the discretion of the Commissioner of Health. Preference shall be given to communities where there has been an increase in violence associated with illegal drug sales and trafficking, gang activity, or human trafficking. Grants shall:

(A) build on and complement existing programs addressing the causes of youth and community violence; and

(B) be for the purpose of funding efforts that address violence and associated community harm using approaches that may include the following:

(i) best available research evidence;

(ii) experiential evidence;

(iii) contextual evidence;

(iv) lived experience of impacted communities;

(v) trauma-responsive programming; and

(vi) other qualitative or quantitative factors that may inform the decision-making of the Commissioner.

(b)(1) A Vermont municipality or nonprofit organization may submit an application for a Community Violence Prevention Program grant to the Commissioner of Health. Grants awarded under this section shall be for the purpose of funding innovative, evidence-based, or evidence-informed approaches to reducing violence and associated community harm.

(2) The Commissioner of Health, in consultation with the Department of Public Safety and the Executive Director of Racial Equity, shall develop and

publish guidelines for the award of Community Violence Prevention Program grants. The guidelines shall include a focus on increasing community capacity to implement approaches for human services, public health, and public safety collaboration to address root causes of community violence and substance use through data-driven projects.

(c) The Community Violence Prevention Program shall collect data to monitor youth and community violence and its related risk and protective factors and to evaluate the impact of prevention efforts and shall use the data to plan and implement programs. The Program shall use monitoring and evaluation data to track the impact of interventions.

(d)(1) The Commissioner of Health, in consultation and collaboration with the Chief Prevention Officer, the Department of Public Safety, the Director of Violence Prevention, the Executive Director of Racial Equity, and the Council for Equitable Youth Justice, shall report on the Community Violence Prevention Program:

(A) on or before September 1, 2023 and December 1, 2023 to the Joint Legislative Justice Oversight Committee; and

(B) on or before January 15, 2024, and annually on that date thereafter, to the Senate and House Committees on Judiciary, the Senate Committee on Health and Welfare, the House Committee on Human Services, and the House Committee on Health Care.

(2) The report required by this subsection shall include:

(A) a complete description of the Community Violence Prevention Program grant application and award process;

(B) guidelines for the award of grants developed under subdivision (b)(2) of this section;

(C) the number of applications submitted and grants awarded, and the amount of each grant awarded;

(D) detailed descriptions of the programs and purposes for which all grants were awarded;

(E) the impacts and outcomes of funded projects; and

(F) descriptions of any grants applied for or awarded.

Sec. 11. APPROPRIATION

(a) Grants awarded from State funds to the Community Violence Prevention Program established by 18 V.S.A. § 13 shall be dependent upon the amount of the appropriation.

(b) The Department of Health is authorized to seek and accept grant funding for the purpose of supporting the Community Violence Prevention Program to supplement State appropriations.

(c) If funding is available for the Community Violence Prevention Program from federal grants or legal settlements related to drug use or criminal activity:

(1) such federal or settlement funds shall be utilized first for the Program; and

(2) an amount of the General Fund appropriation made under subsection (a) of this section equal to the total amount of federal grants or legal settlements received by the Program shall be reverted to the General Fund.

Sec. 12. 2018 Acts and Resolves No. 201, Sec. 21, as amended by 2022 Acts and Resolves No. 160, Sec. 1, is further amended to read:

Sec. 21. EFFECTIVE DATES

* * *

(d) Secs. 17–19 shall take effect on July 1, ~~2023~~ 2024.

Sec. 13. 2020 Acts and Resolves No. 124, Sec. 12, as amended by 2022 Acts and Resolves No. 160, Sec. 2, is further amended to read:

Sec. 12. EFFECTIVE DATES

(a) Secs. 3 (33 V.S.A. § 5103(c)) and 7 (33 V.S.A. § 5206) shall take effect on July 1, ~~2023~~ 2024.

* * *

Sec. 14. PLAN FOR SECURE PLACEMENTS

On or before September 1, 2023 and December 1, 2023, the Department for Children and Families shall file a status report to the Joint Legislative Justice Oversight Committee, the Senate and House Committees on Judiciary, the House Committee on Corrections and Institutions, the House Committee on Human Services, and the Senate Committee on Health and Welfare describing the progress made toward implementing the requirement of Secs. 12 and 13 of this act that the Raise the Age initiative take effect on July 1, 2024.

Sec. 15. SENTENCING COMMISSION REPORT

(a) On or before December 15, 2023, the Vermont Sentencing Commission shall report to the Joint Legislative Justice Oversight Committee and the Senate and House Committees on Judiciary on whether the offenses for which transfer from the Family Division to the Criminal Division is permitted under 33 V.S.A. § 5204(a) should be expanded to include:

(1) first degree arson as defined in 13 V.S.A. § 502 or second degree arson as defined in 13 V.S.A. § 503;

(2) stalking as defined in 13 V.S.A. § 1062;

(3) domestic assault as defined in 13 V.S.A. § 1042, first degree aggravated domestic assault as defined in 13 V.S.A. § 1043, and second degree aggravated domestic assault as defined in 13 V.S.A. § 1044;

(4) selling or dispensing a regulated drug with death resulting as defined in 18 V.S.A. § 4250;

(5) using a firearm while selling or dispensing a drug as defined in 18 V.S.A. § 4253;

(6) carrying a dangerous or deadly weapon while committing a felony as defined in 13 V.S.A. § 4005;

(7) lewd or lascivious conduct as defined in 13 V.S.A. § 2601 or lewd or lascivious conduct with a child as defined in 13 V.S.A. § 2602;

(8) eluding a police officer with serious bodily injury or death resulting as defined in 23 V.S.A. § 1133(b);

(9) willful and malicious injuries caused by explosives as defined in 13 V.S.A. § 1601, injuries caused by destructive devices as defined in 13 V.S.A. § 1605, or injuries caused by explosives as defined in 13 V.S.A. § 1608;

(10) grand larceny as defined in 13 V.S.A. § 2501 or larceny from the person as defined in 13 V.S.A. § 2503;

(11) 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);

(12) careless or negligent operation resulting in serious bodily injury or death as defined in 23 V.S.A. § 1091(b);

(13) leaving the scene of an accident with serious bodily injury or death as defined in 23 V.S.A. § 1128(b) or (c);

(14) a hate-motivated crime as defined in 13 V.S.A. § 1455;

(15) conspiracy as defined in 13 V.S.A. § 1404;

(16) a violation of an abuse prevention order as defined in 13 V.S.A. § 1030 or violation of an order against stalking or sexual assault as defined in 12 V.S.A. § 5138;

(17) trafficking a regulated drug in violation of 18 V.S.A. chapter 84, subchapter 1;

(18) human trafficking or aggravated human trafficking in violation of 13 V.S.A. § 2652 or 2653; or

(19) aggravated stalking as defined in 13 V.S.A. § 1063(a)(3).

(b) The report required by this section shall also consider whether burglary into an occupied dwelling as defined in 13 V.S.A. § 1201(c) should continue to be included in the offenses for which transfer from the Family Division to the Criminal Division is permitted under 33 V.S.A. § 5204(a) or whether an alternate or redefined version of the offense should be included.

Sec. 16. SEVERABILITY

As set forth in 1 V.S.A. § 215, the provisions of this act are severable, and if a court finds any provision of this act to be invalid, or if any application of this act to any person or circumstance is invalid, the invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

Sec. 17. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment?, was decided on a roll call, Yeas 28, Nays 1.

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: Baruth, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Wrenner.

The Senator who voted in the negative was: Williams.

The Senator absent and not voting was: Bray.

House Proposal of Amendment Not Concurred In; Committee of Conference Requested

S. 6.

House proposal of amendment to Senate bill entitled:

An act relating to law enforcement interrogation policies.

Was taken up.

An act relating to law enforcement interrogation policies

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. LEGISLATIVE INTENT; JUVENILE INTERROGATION; LAW ENFORCEMENT INTERROGATION POLICIES

It is the intent of the General Assembly to prevent false confessions and wrongful convictions of individuals subject to law enforcement interrogation and to improve trust between Vermont's communities and law enforcement. To achieve these objectives, it is the further intent of the General Assembly to create a minimum set of law enforcement interrogation standards that incorporate evidence-based best practices by:

(1) immediately prohibiting law enforcement's use of threats and physical harm during all custodial interrogations;

(2) immediately restricting law enforcement's use of deception during the custodial interrogation of juveniles; and

(3) mandating that the Vermont Criminal Justice Council develop, adopt, and enforce a statewide model interrogation policy that applies to all Vermont law enforcement agencies and constables exercising law enforcement authority pursuant to 24 V.S.A. § 1936.

Sec. 2. 13 V.S.A. § 5585 is amended to read:

§ 5585. ~~ELECTRONIC RECORDING OF A CUSTODIAL INTERROGATION~~ DEFINITIONS

~~(a)~~ As used in this ~~section~~ subchapter:

(1) "Custodial interrogation" means any interrogation:

(A) involving questioning by a law enforcement officer that is reasonably likely to elicit an incriminating response from the subject; and

(B) in which a reasonable person in the subject's position would consider the person to be in custody, starting from the moment a person should have been advised of the person's Miranda rights and ending when the questioning has concluded.

(2) "Deception" includes the knowing communication of false facts about evidence, the knowing misrepresentation of the accuracy of the facts, the knowing misrepresentation of the law, or the knowing communication of unauthorized statements regarding leniency.

~~(2)~~(3) "Electronic recording" or "electronically recorded" means an audio and visual recording that is an authentic, accurate, unaltered record of a custodial interrogation, or if law enforcement does not have the current capacity to create a visual recording, an audio recording of the interrogation.

(4) "Law enforcement officer" has the same meaning as in 20 V.S.A. § 2351a.

(5) "Government agent" means:

(A) a school resource or safety officer; or

(B) an individual acting at the request or direction of a school resource or safety officer or a law enforcement officer.

~~(3)~~(6) "Place of detention" means a building or a police station that is a place of operation for the State police, a municipal police department, county sheriff department, or other law enforcement agency that is owned or operated by a law enforcement agency at which persons are or may be questioned in connection with criminal offenses or detained temporarily in connection with criminal charges pending a potential arrest or citation.

~~(4)~~(7) "Statement" means an oral, written, sign language, or nonverbal communication.

~~(b)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety. Unless impracticable, a custodial interrogation occurring outside a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety.~~

~~(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.~~

~~(c)(1) The following are exceptions to the recording requirement in subsection (b) of this section:~~

~~(A) exigent circumstances;~~

~~(B) a person's refusal to be electronically recorded;~~

~~(C) interrogations conducted by other jurisdictions;~~

~~(D) a reasonable belief that the person being interrogated did not commit a felony or misdemeanor violation of this title and, therefore, an electronic recording of the interrogation was not required;~~

~~(E) the safety of a person or protection of the person's identity; and~~

~~(F) equipment malfunction.~~

~~(2) If law enforcement does not make an electronic recording of a custodial interrogation as required by this section, the prosecution shall prove by a preponderance of the evidence that one of the exceptions identified in subdivision (1) of this subsection applies. If the prosecution does not meet the burden of proof, the evidence is still admissible, but the court shall provide cautionary instructions to the jury regarding the failure to record the interrogation.~~

Sec. 3. 13 V.S.A. § 5586 is added to read:

§ 5586. ELECTRONIC RECORDING OF A CUSTODIAL INTERROGATION

(a)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety. Unless impracticable, a custodial interrogation occurring outside a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety.

(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.

(b)(1) The following are exceptions to the recording requirement in subsection (a) of this section:

(A) exigent circumstances;

(B) a person's refusal to be electronically recorded;

(C) interrogations conducted by other jurisdictions;

(D) a reasonable belief that the person being interrogated did not commit a felony or misdemeanor violation of this title and, therefore, an electronic recording of the interrogation was not required;

(E) the safety of a person or protection of the person's identity; and

(F) equipment malfunction.

(2) If law enforcement does not make an electronic recording of a custodial interrogation as required by this section, the prosecution shall prove by a preponderance of the evidence that one of the exceptions identified in subdivision (1) of this subsection applies. If the prosecution does not meet the burden of proof, the evidence is still admissible, but the court shall provide cautionary instructions to the jury regarding the failure to record the interrogation.

Sec. 4. 13 V.S.A. § 5587 is added to read:

§ 5587. RESTRICTIONS ON CUSTODIAL INTERROGATION

(a)(1) During a custodial interrogation of a person relating to the commission of a criminal offense or delinquent act, a law enforcement officer or government agent shall not employ threats or physical harm.

(2) Any admission, confession, or statement, whether written or oral, obtained in violation of subdivision (1) of this subsection shall be involuntary and inadmissible in any proceeding.

(b)(1) During a custodial interrogation of a person under 18 years of age relating to the commission of a criminal offense or delinquent act, a law enforcement officer or government agent shall not employ deception.

(2) Any admission, confession, or statement, whether written or oral, obtained in violation of subdivision (1) of this subsection shall be involuntary and inadmissible in any proceeding.

(c)(1) Any admission, confession, or statement, whether written or oral, made by a person 18 through 21 years of age during a custodial interrogation relating to the commission of a criminal offense or delinquent act in which a law enforcement officer or government agent employed deception shall be presumed to be involuntary and inadmissible in any proceeding.

(2) The presumption that any such admission, confession, or statement is involuntary and inadmissible may be overcome if the State proves by clear and convincing evidence that the admission, confession, or statement was:

(A) voluntary and not induced by a law enforcement officer's or government agent's use of deception prohibited by subdivision (c)(1) of this section; and

(B) any actions of a law enforcement officer or government agent in violation of subsection (c)(1) of this section did not undermine the reliability of the person's admission, confession, or statement and did not create a substantial risk that the person might falsely incriminate themselves.

(d) Notwithstanding 20 V.S.A. chapter 151, subchapter 2, a noncriminal violation of this section by a law enforcement officer or government agent that is neither malicious nor willful shall not provide a basis for any sanctions related to a law enforcement officer's certification.

Sec. 5. VERMONT CRIMINAL JUSTICE COUNCIL; MODEL INTERROGATION POLICY

(a) Intent. It is the intent of the General Assembly that the Vermont Criminal Justice Council create a model interrogation policy that is grounded in evidence-based best practices to limit and eventually eliminate the use of deception in law enforcement interrogations.

(b) Policy development. On or before January 1, 2024, the Vermont Criminal Justice Council, in consultation with the Office of the Attorney General and stakeholders, including the Agency of Human Services, the Vermont League of Cities and Towns, the Vermont Human Rights Commission, and the Innocence Project, shall establish one cohesive evidence-based model interrogation policy for law enforcement agencies and constables to adopt, follow, and enforce as part of the agency's or constable's own interrogation policy.

(c) Policy contents. The evidence-based model interrogation policy created pursuant to this section shall apply to all persons subject to various forms of interrogation, including the following:

(1) custodial interrogations occurring in a place of detention;

(2) custodial interrogations occurring outside a place of detention;

(3) interrogations that are not considered custodial, regardless of location; and

(4) the interrogation of individuals with developmental, intellectual, and psychiatric disabilities; substance use disorders; and low literacy levels.

Sec. 6. 20 V.S.A. § 2359 is amended to read:

§ 2359. COUNCIL SERVICES CONTINGENT ON AGENCY COMPLIANCE; GRANT ELIGIBILITY

(a) On and after January 1, 2022, a law enforcement agency shall be prohibited from having its law enforcement applicants or officers trained by the Police Academy or from otherwise using the services of the Council if the agency is not in compliance with the requirements for collecting roadside stop data under section 2366 of this chapter, the requirement to report to the Office of Attorney General death or serious bodily injuries under 18 V.S.A. § 7257a(b), or the requirement to adopt, follow, ~~or~~ and enforce any policy required under this chapter.

(b) On and after April 1, 2024, a law enforcement agency shall be prohibited from receiving grants, or other forms of financial assistance, if the agency is not in compliance with the requirement to adopt, follow, and enforce

the model interrogation policy established by the Council pursuant to section 2371 of this title.

(c) The Council shall adopt procedures to enforce the requirements of this section, which may allow for waivers for agencies under a plan to obtain compliance with this section.

Sec. 7. 20 V.S.A. § 2371 is added to read:

§ 2371. STATEWIDE POLICY; INTERROGATION METHODS

(a) As used in this section:

(1) "Custodial interrogation" has the same meaning as in 13 V.S.A. § 5585.

(2) "Place of detention" has the same meaning as in 13 V.S.A. § 5585.

(b) The Council shall establish a model interrogation policy that applies to all persons subject to various forms of interrogation, including the following:

(1) custodial interrogations occurring in a place of detention;

(2) custodial interrogations occurring outside a place of detention;

(3) interrogations that are not considered custodial, regardless of location; and

(4) the interrogation of individuals with developmental, intellectual, and psychiatric disabilities; substance use disorders; and low literacy levels.

(c)(1) On or before April 1, 2024, each law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title shall adopt, follow, and enforce an interrogation policy that includes each component of the model interrogation policy established by the Council, and each law enforcement officer or constable who exercises law enforcement authority shall comply with the provisions of the agency's or constable's policy.

(2) On or before October 1, 2024, and every even-numbered year thereafter, the Vermont Criminal Justice Council, in consultation with others, including the Office of the Attorney General, the Agency of Human Services, and the Human Rights Commission, shall review and, if necessary, update the model interrogation policy.

(d) To encourage fair and consistent interrogation methods statewide, the Vermont Criminal Justice Council, in consultation with the Office of the Attorney General, shall review the policies of law enforcement agencies and

constables required to adopt a policy pursuant to subsection (c) of this section, to ensure that those policies establish each component of the model policy on or before April 15, 2024. If the Council finds that a policy does not meet each component of the model policy, it shall work with the law enforcement agency or constable to bring the policy into compliance. If, after consultation with its attorney or with the Council, or with both, the law enforcement agency or constable fails to adopt a policy that meets each component of the model policy, that agency or constable shall be deemed to have adopted, and shall follow and enforce, the model policy established by the Council.

(e) The Council shall incorporate the provisions of this section into the training it provides.

(f) Annually, as part of their annual training report to the Council, every law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title shall report to the Council whether the agency or constable has adopted an interrogation policy in accordance with subsections (c) and (d) of this section. The Vermont Criminal Justice Council shall determine, as part of the Council's annual certification of training requirements, whether current officers have received training on interrogation methods as required by subsection (e) of this section.

(g) Annually, on or before July 1, the Vermont Criminal Justice Council shall report to the House and Senate Committees on Judiciary regarding which law enforcement agencies and officers have received training on interrogation methods.

Sec. 8. VERMONT CRIMINAL JUSTICE COUNCIL; POSITION; APPROPRIATION

(a) On July 1, 2023, a new, permanent, classified Director of Policy position is created in the Vermont Criminal Justice Council. In addition to any other duties deemed appropriate by the Council, the Director of Policy shall supervise the development, oversight, and compliance work related to the Council's internal, external, and State-mandated policies.

(b) The position of Director of Policy established in subsection (a) of this section shall be subject to a general fund appropriation in FY 2024.

Sec. 9. REPEAL

13 V.S.A. § 5587(d) (prohibiting sanctions related to a law enforcement officer's certification) is repealed on July 1, 2024.

Sec. 10. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 6 (council

services contingent on agency compliance; grant eligibility) and 7 (statewide policy; interrogation methods) shall take effect on April 1, 2024.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, on motion of Senator Sears, the Senate refused to concur in the House proposal of amendment and requested a Committee of Conference.

House Proposal of Amendment Concurred In

S. 47.

House proposal of amendment to Senate bill entitled:

An act relating to the transport of individuals requiring psychiatric care.

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. 18 V.S.A. § 7505 is amended to read:

§ 7505. WARRANT AND CERTIFICATE FOR EMERGENCY EXAMINATION

(a) In emergency circumstances where certification by a licensed physician is not available without serious and unreasonable delay, and when personal observation of the conduct of a person constitutes reasonable grounds to believe that the person is a person in need of treatment, and ~~he or she~~ the person presents an immediate risk of serious injury to ~~himself or herself~~ self or others if not restrained, a law enforcement officer or mental health professional may make an application, not accompanied by a physician's certificate, to any Superior judge for a warrant for an emergency examination. The application shall be based on facts personally observed by the mental health professional or the law enforcement officer or shall be supported by a statement of facts under penalty of perjury by a person who personally observed the facts that form the basis of the application.

(b)(1) The law enforcement officer ~~or mental health professional~~ may take the person into temporary custody ~~and shall apply to the court without delay for the warrant~~ if the law enforcement officer has probable cause to believe that the person poses a risk of harm to self or others. The law enforcement officer or a mental health professional shall apply to the court for the warrant without delay while the person is in temporary custody. The law enforcement officer, or a mental health professional if clinically appropriate, may then transport the person if the law enforcement officer or mental health

professional conducting the transport has probable cause to believe that the person poses a risk of harm to self or others.

(2) Transports conducted pursuant to this subsection shall provide individuals with the same protections as provided to individuals in the custody of the Commissioner who are transported pursuant to section 7511 of this title.

(c) If the judge is satisfied that a physician's certificate is not available without serious and unreasonable delay, and that probable cause exists to believe that the person is in need of an emergency examination, ~~he or she~~ the judge may order the person to submit to an evaluation by a licensed physician for that purpose.

(d)(1) If necessary, the court may order the law enforcement officer ~~or mental health professional~~ to transport the person to a hospital for an evaluation by a licensed physician to determine if the person should be certified for an emergency examination.

(2) Transports conducted pursuant to this subsection shall provide individuals with the same protections as provided to individuals in the custody of the Commissioner who are transported pursuant to section 7511 of this title.

(e) Authority to transport a person pursuant to this section shall expire if the person is not taken into custody and transported within 72 hours after a warrant is issued by a Superior judge.

(f) A person transported pursuant to subsection (d) of this section shall be evaluated as soon as possible after arrival at the hospital. If after evaluation the licensed physician determines that the person is a person in need of treatment, ~~he or she~~ the licensed physician shall issue an initial certificate that sets forth the facts and circumstances constituting the need for an emergency examination and showing that the person is a person in need of treatment. Once the licensed physician has issued the initial certificate, the person shall be held for an emergency examination in accordance with section 7508 of this title. If the licensed physician does not certify that the person is a person in need of treatment, ~~he or she~~ the licensed physician shall immediately discharge the person and cause ~~him or her~~ the person to be returned to the place from which ~~he or she~~ the person was taken, or to such place as the person reasonably directs.

Sec. 2. 18 V.S.A. § 7511 is amended to read:

§ 7511. TRANSPORTATION

(a) The Commissioner shall ensure that all reasonable and appropriate measures consistent with public safety are made to transport or escort a person subject to this chapter to and from any inpatient setting~~, including escorts~~

~~within a designated hospital or the Vermont State Hospital or its successor in interest or otherwise being transported~~ under the jurisdiction of the Commissioner in any manner ~~which~~ that:

(1) prevents physical and psychological trauma;

(2) respects the privacy of the individual; and

(3) represents the least restrictive means necessary for the safety of the patient.

(b) The Commissioner shall have the authority to designate the professionals or law enforcement officers who may authorize the method of transport of patients under the Commissioner's care and custody.

(c) When a professional or law enforcement officer designated pursuant to subsection (b) of this section decides an individual is in need of secure transport with mechanical restraints, the reasons for such determination shall be documented in writing.

(d) It is the policy of the State of Vermont that mechanical restraints are not routinely used on persons subject to this chapter unless circumstances dictate that such methods are necessary. A law enforcement vehicle shall have soft restraints available for use as a first option, and mechanical restraints shall not be used as a substitute for soft restraints if the soft restraints are otherwise deemed adequate for safety.

Sec. 3. REPORT; MENTAL HEALTH; WARRANT PROCESS

On or before January 15, 2024, the Department of Mental Health, in consultation with Vermont Care Partners; Vermont Legal Aid; MadFreedom, Inc.; Vermont Psychiatric Survivors; and persons with lived experience of a mental health condition, shall submit a report to the House Committees on Health Care and on Judiciary, and the Senate Committees on Health and Welfare and on Judiciary containing any proposed changes to the warrant process in 18 V.S.A. § 7505, including mechanisms to reduce safety risks and reduce delays in accessing care.

Sec. 4. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

House Proposal of Amendment Concurred In with Further Proposal of Amendment

S. 89.

House proposal of amendment to Senate bill entitled:

An act relating to establishing a forensic facility.

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. LEGISLATIVE INTENT

It is the intent of the General Assembly that an initial forensic facility be authorized and operational beginning on July 1, 2024 in the nine-bed wing of the current Vermont Psychiatric Care Hospital. This wing shall be relicensed as a therapeutic community residence and shall provide a safe environment for both clients and staff. Any comingling of staff between the psychiatric hospital wings and the forensic facility shall be consistent with the requirements of any applicable collective bargaining agreements.

Sec. 2. CERTIFICATE OF NEED; EXCLUSION

Notwithstanding any law to the contrary, the Department of Mental Health and the Department of Disabilities, Aging, and Independent Living's joint establishment of a nine-bed forensic facility within a wing of the existing Vermont Psychiatric Care Hospital is excluded from the certificate of need process prescribed in 18 V.S.A. chapter 221, subchapter 5.

Sec. 3. RULEMAKING; CONFORMING AMENDMENTS

(a) On or before August 1, 2023, the Commissioner of Mental Health shall file an initial proposed rule amendment with the Secretary of State pursuant to 3 V.S.A. 836(a)(2) to amend the Department of Mental Health, Rules for the Administration of Nonemergency Involuntary Psychiatric Medications (CVR 13-150-11) for the purpose of allowing the administration of involuntary medication at a forensic facility.

(b) On or before September 1, 2023, the Commissioners of Mental Health and of Disabilities, Aging, and Independent Living shall begin to draft proposed amendments to Department of Disabilities, Aging, and Independent Living, Licensing and Operating Regulations for Therapeutic Community Residences (CVR 13-110-12) for the purposes of creating a forensic facility section of the rule that includes allowing the use of emergency involuntary procedures and the administration of involuntary medication.

Sec. 4. PRESENTATION; FORENSIC FACILITY PROGRAMMING

On or before February 1, 2024, the Agency of Human Services shall present the following information to the House Committees on Corrections and Institutions, on Health Care, on Human Services, and on Judiciary and to the Senate Committees on Health and Welfare, on Institutions, and on Judiciary:

(1) a plan for staffing and programming at the forensic facility, including whether any specialized training will be required for staff members and whether any services provided at the forensic facility will be contracted to third parties;

(2) whether any additional resources are needed for the operation of the forensic facility; and

(3) an assessment of laws, regulations, rules, and policies governing psychiatric hospitals and therapeutic community residences to determine whether there are any conflicts with serving two populations in the same facility.

Sec. 5. REPORT; FORENSIC FACILITY

Annually, on or before January 15 between 2025 and 2030, the Departments of Mental Health and of Disabilities, Aging, and Independent Living shall submit a report to the House Committees on Human Services and on Judiciary and to the Senate Committees on Health and Welfare and on Judiciary containing:

(1) the average daily census at the forensic facility, including trends over time;

(2) the number of individuals waitlisted for the forensic facility and where these individuals receive treatment or programming while waiting for a bed at the forensic facility;

(3) aggregated demographic data about the individuals served at the forensic facility; and

(4) an account of the number and types of emergency involuntary procedures used at the forensic facility.

Sec. 6. WORKING GROUP ON POLICIES PERTAINING TO INDIVIDUALS WITH INTELLECTUAL DISABILITY WHO ARE CRIMINAL-JUSTICE INVOLVED

(a) Creation. There is created the Working Group on Policies Pertaining to Individuals with Intellectual Disabilities Who Are Criminal-Justice Involved. The Working Group shall assess whether a forensic level of care is needed for

individuals with intellectual disabilities who are charged with a crime of violence against another person, have been determined incompetent to stand trial or adjudicated not guilty by reason of insanity, and are committed to the custody of the Commissioner of Disabilities, Aging, and Independent Living. If it is determined that forensic-level care is needed for such individuals, the Working Group shall propose legislation establishing the process and criteria for committing such individuals to a forensic facility. In developing legislation, the Working Group shall refer to earlier drafts of this act discussed by the General Assembly in 2023.

(b) Membership.

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

(A) a representative, appointed by the Disability Law Project of Vermont Legal Aid;

(B) a representative, appointed by the Developmental Disabilities Council;

(C) a representative, appointed by the Green Mountain Self-Advocates;

(D) a representative, appointed by Vermont Care Partners;

(E) a representative, appointed by the Vermont Crisis Intervention Network;

(F) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(G) the Commissioner of Mental Health or designee;

(H) two members of the House of Representatives, one of whom is from the House Committee on Human Services and one of whom is from the House Committee on Judiciary, appointed by the Speaker; and

(I) two members of the Senate, one of whom is from the Senate Committee on Health and Welfare and one of whom is from the Senate Committee on Judiciary, appointed by the Committee on Committees.

(2) In completing its duties pursuant to this section, the Working Group, to the extent feasible, shall consult with the following individuals:

(A) a psychiatrist or psychologist with experience conducting competency evaluations under 1987 Acts and Resolves No. 248;

(B) individuals with lived experience of a intellectual disability who have previous experience in the criminal justice system or civil commitment system, or both;

(C) family members of individuals with an intellectual disability who have experience in the criminal justice system or 1987 Acts and Resolves No. 248;

(D) the Executive Director of the Department of State's Attorneys and Sheriffs;

(E) the Defender General;

(F) a representative of the Center for Crime Victim Services;

(G) the Commissioner of Corrections;

(H) the State Program Standing Committee for Developmental Services; and

(I) the President of the Vermont State Employees' Association.

(c) Powers and duties. The Working Group shall assess the need for a forensic level of care for individuals with an intellectual disability, including:

(1) the extent to which a forensic facility addresses any unmet needs or gaps in resources for individuals with intellectual disabilities;

(2) if the Working Group determines there is a need for individuals with an intellectual disability to receive programming in a forensic facility, the specific circumstances under which an individual committed to the custody of the Commissioner of Disabilities, Aging, and Independent Living could be placed in a forensic facility;

(3) any amendments to 18 V.S.A. chapter 206, including amendments needed to ensure due process prior to and during the commitment process, regardless of whether the Working Group determines that a need for forensic-level care exists;

(4) the roles of Vermont Legal Aid, an ombudsman, or Disability Rights Vermont in serving individuals with intellectual disabilities placed in a forensic facility;

(5) necessary changes to 13 V.S.A. chapter 157; and

(6) investments, policies, and programmatic options for high-quality community-based supports for at-risk individuals committed to the custody of the Commissioner of Disabilities, Aging, and Independent Living.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Department of Disabilities, Aging, and Independent Living.

(e) Report. On or before December 1, 2023, the Working Group shall submit a written report to the House Committees on Human Services and on Judiciary and to the Senate Committees on Health Welfare and on Judiciary with its findings and any recommendations for legislative action, including proposed legislative language.

(f) Meetings.

(1) The representative of the Department of Disabilities, Aging, and Independent Living shall call the first meeting of the Working Group to occur on or before July 10, 2023.

(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 Working Group shall cease to exist on July 1, 2024.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the member's 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 14 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Members of the Working Group not otherwise compensated for their participation in 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 14 meetings. These payments shall be made from monies appropriated to the Department of Disabilities, Aging, and Independent Living.

(h) Definitions.

(1) As used in this section, "forensic facility" means a residential facility, licensed as a therapeutic community residence as defined in 33 V.S.A. § 7102(11), for an individual:

(A) with a mental health condition or intellectual disability, if the General Assembly determines that commitment to a forensic facility is appropriate for an individual with an intellectual disability;

(B) who is charged with a crime of violence against another person and the individual is assessed not competent to stand trial or was adjudicated not guilty by reason of insanity; and

(C) who requires treatment or programming within a secure setting for an extended period of time.

(2) As used in this subsection, "secure" has the same meaning as in 18 V.S.A. § 7620.

* * * Effective Date * * *

Sec. 7. EFFECTIVE DATE

This act shall take effect on passage.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senators Sears and Lyons moved that Senate concur in the House proposal of amendment with further proposal of amendment in Sec. 6, Working Group on Policies Pertaining to Individuals with Intellectual Disabilities Who Are Criminal-Justice Involved, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) as follows:

(b) Membership.

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

(A) a representative, appointed by the Disability Law Project of Vermont Legal Aid;

(B) a representative, appointed by the Developmental Disabilities Council;

(C) a representative, appointed by the Green Mountain Self-Advocates;

(D) a representative, appointed by Vermont Care Partners;

(E) a representative, appointed by the Vermont Crisis Intervention Network;

(F) the Commissioner of Disabilities, Aging, and Independent Living or designee;

(G) the Commissioner of Mental Health or designee;

(H) a representative, appointed by the Center for Crime Victim Services;

(I) the President of the Vermont State Employees' Association or designee;

(J) the Executive Director of the Office of Racial Equity or designee;

(K) the Chief Superior Judge or designee;

(L) two members of the House of Representatives, one of whom is from the House Committee on Human Services and one of whom is from the House Committee on Judiciary, appointed by the Speaker; and

(M) two members of the Senate, one of whom is from the Senate Committee on Health and Welfare and one of whom is from the Senate Committee on Judiciary, appointed by the Committee on Committees.

(2) In completing its duties pursuant to this section, the Working Group, to the extent feasible, shall consult with the following individuals:

(A) a psychiatrist or psychologist with experience conducting competency evaluations under 1987 Acts and Resolves No. 248;

(B) individuals with lived experience of an intellectual disability who have previous experience in the criminal justice system or civil commitment system, or both;

(C) family members of individuals with an intellectual disability who have experience in the criminal justice system or with competency evaluations under 1987 Acts and Resolves No. 248;

(D) the Executive Director of the Department of State's Attorneys and Sheriffs;

(E) the Defender General;

(F) the Commissioner of Corrections; and

(G) the State Program Standing Committee for Developmental Services.

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

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 479.

Senator Chittenden, 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:

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; Technical Corrections * * *

Sec. 1. TRANSPORTATION PROGRAM ADOPTED; DEFINITIONS; TECHNICAL CORRECTIONS

(a) Adoption. The Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program appended to the Agency of Transportation's proposed fiscal year 2024 budget (Revised January 27, 2023), as amended by this act, is adopted to the extent federal, State, and local funds are available.

(b) Definitions. As used in this act, unless otherwise indicated:

(1) "Agency" means the Agency of Transportation.

(2) "Candidate project" means a project approved by the General Assembly that is not anticipated to have significant expenditures for preliminary engineering or right-of-way expenditures, or both, during the budget year and funding for construction is not anticipated within a predictable time frame.

(3) "Development and evaluation (D&E) project" means a project approved by the General Assembly that is anticipated to have preliminary engineering expenditures or right-of-way expenditures, or both, during the budget year and that the Agency is committed to delivering to construction on a timeline driven by priority and available funding.

(4) "Front-of-book project" means a project approved by the General Assembly that is anticipated to have construction expenditures during the budget year or the following three years, or both, with expected expenditures shown over four years.

(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; 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; and "State" in any tables amending authorizations indicates that the source of funds is State monies in the Transportation Fund, unless otherwise specified.

(c) Technical corrections.

(1) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Municipal Mitigation, the value "$7,685,523" is struck and the value "$10,113,523" is inserted in lieu thereof to correct a typographic error; the value "$3,355,523" is struck and the value "$4,783,523" is inserted in lieu thereof to correct a typographic error; the value "$4,000,000" is struck and the value "$5,000,000" is inserted in lieu thereof to correct a typographic error; and the value "$8,060,523" is struck twice and the value "$10,488,523" is inserted in lieu thereof twice to correct two typographic errors.

(2) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Aviation, in the summary chart, the value "$11,335,874" is struck and the value "$10,885,874" is inserted in lieu thereof to correct a typographic error; the value "$4,759,078" is struck and the value "$4,719,078" is inserted in lieu thereof to correct a typographic error; and the value "$17,764,405" struck and the value "$17,274,405" is inserted in lieu thereof to correct a typographic error.

(3) In the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Rail, in the project details, the following projects are deleted:

(A) Rail Statewide – Railroad Bridges; and

(B) Rail Statewide STRBMATN – Various-Railroads.

* * * Summary of Transportation Investments * * *

Sec. 2. FISCAL YEAR 2024 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 2024 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 the Vermont Climate Action Plan and to satisfy the Executive and Legislative Branches' commitments to the Paris Agreement climate goals.

In fiscal year 2024, these efforts will include the following:

(1) Park and Ride Program. This act provides for a fiscal year expenditure of $2,266,045.00, which will fund one construction project to create a new park-and-ride facility; the design and construction of improvements to one existing park-and-ride facility; the design of improvements to one existing park-and-ride facility 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 202 new State-owned spaces. Specific additions and improvements include:

(A) Manchester—construction of 50 new spaces;

(B) Sharon—design for 10 new spaces; and

(C) Williston—construction of 142 new spaces.

(2) Bike and Pedestrian Facilities Program.

(A) This act provides for a fiscal year expenditure, including local match, of $13,039,521.00, which will fund 33 bike and pedestrian construction projects; 18 bike and pedestrian design, right-of-way, or design and right-of way projects for construction in future fiscal years; 15 scoping studies; and three projects to improve signage. The construction projects include the creation, improvement, or rehabilitation of walkways, sidewalks, shared-use paths, bike paths, and cycling lanes. Projects are funded in Arlington, Bennington, Berlin, Bethel, Brattleboro, Bristol, Burke, Burlington, Castleton, Chester, Coventry, Dorset, Dover, Enosburg Falls, Fair Haven, Fairfax, Franklin, Hartford, Hartland, Hinesburg, Jericho, Lyndonville, Middlebury, Middlesex, Montpelier, Moretown, New Haven, Newfane, Newport City, Northfield, Pawlet, Proctor, Richford, Royalton, Rutland City, Rutland Town, Shaftsbury, Shelburne, South Burlington, South Hero, Springfield, St. Albans City, St. Albans Town, Sunderland, Swanton, Tunbridge, Vergennes, Wallingford, Waterbury, West Rutland, and Wilmington. This act also provides funding for:

(i) some of Local Motion's operation costs to run the Bike Ferry on the Colchester Causeway, which is part of the Island Line Trail;

(ii) the small-scale municipal bicycle and pedestrian grant program for projects to be selected during the fiscal year;

(iii) projects funded through the Safe Routes to School program;

(iv) education and outreach to K–8 schools to encourage higher levels of walking and bicycling to school; and

(v) community grants along the Lamoille Valley Rail Trail (LVRT).

(B) Sec. 7 of this act also creates the Rail Trail Community Connectivity Grants, with the purpose to continue the build out and enhancement of LVRT amenities and improve visitor experience.

(3) Transportation Alternatives Program. This act provides for a fiscal year expenditure of $5,195,346.00, including local funds, which will fund 22 transportation alternatives construction projects; 19 transportation alternatives design, right-of-way, or design and right-of-way projects; and seven studies, including scoping, historic preservation, and connectivity. Of these 48 projects, 16 involve environmental mitigation related to clean water or stormwater concerns, or both clean water and stormwater concerns, and 29 involve bicycle and pedestrian facilities. Projects are funded in Bennington, Brandon, Bridgewater, Bristol, Burke, Burlington, Colchester, Derby, Duxbury, Enosburg, Fair Haven, Fairfax, Franklin, Hartford, Hinesburg, Hyde Park, Jericho, Johnson, Killington, Mendon, Milton, Montgomery, Moretown, Newfane, Norwich, Proctor, Putney, Rockingham, Rutland City, South Burlington, Stowe, Swanton, Tinmouth, Vergennes, Wardsboro, Warren, West Rutland, Williston, Wilmington, and Winooski.

(4) Public Transit Program. This act provides for a fiscal year expenditure of $49,645,330.00 for public transit uses throughout the State. Included in the authorization are:

(A) Go! Vermont, with an authorization of $405,000.00. This authorization supports transportation demand management (TDM) strategies, including the State's Trip Planner and commuter services, to promote the use of carpools and vanpools.

(B) Mobility and Transportation Innovations (MTI) Grant Program, with an authorization of $500,000.00. This authorization continues to support projects that improve both mobility and access to services for transit-dependent Vermonters, reduce the use of single-occupancy vehicles, and reduce greenhouse gas emissions.

(5) Rail Program. This act provides for a fiscal year expenditure of $43,008,320.00, including local funds, for intercity passenger rail service and rail infrastructure throughout the State, including the recent addition of New York City–Burlington passenger rail service.

(6) Transformation of the State Vehicle Fleet. The Department of Buildings and General Services, which manages the State Vehicle Fleet, currently has 21 plug-in hybrid electric vehicles and 13 battery electric vehicles in the State Vehicle Fleet. In fiscal year 2024, the Commissioner of

Buildings and General Services will continue to purchase and lease vehicles for State use in accordance with 29 V.S.A. § 903(g), which requires, to the maximum extent practicable, that the Commissioner purchase or lease hybrid or plug-in electric vehicles (PEVs), as defined in 23 V.S.A. § 4(85), with not less than 75 percent of the vehicles purchased or leased being hybrid or PEVs.

(7) Electric vehicle supply equipment (EVSE). This act provides for a fiscal year expenditure of $7,625,000.00 to increase the presence of EVSE in Vermont in accordance with the State's federally approved National Electric Vehicle Infrastructure (NEVI) Plan, which will lead to the installation of Direct Current Fast Charging (DC/FC) along designated alternative fuel corridors. This is in addition to monies that were previously appropriated, but not yet expended, for EVSE at multiunit dwellings, workplaces, and public venues and attractions.

(8) Vehicle incentive programs and expansion of the PEV market.

(A) Incentive Program for New PEVs, MileageSmart, and Replace Your Ride Program. No additional monies are authorized for the State's vehicle incentive programs in this act, but it is estimated that approximately the following prior appropriations will be available in fiscal year 2024:

(i) $8,200,000.00 for the Incentive Program for New PEVs;

(ii) $2,250,000.00 for MileageSmart; and

(iii) $3,200,000.00 for the Replace Your Ride Program.

(B) Electrify Your Fleet Program. Sec. 21 of this act creates the Electrify Your Fleet Program, which will provide incentives to Vermont municipalities and business entities in Vermont that maintain a fleet of motor vehicles to incentivize a transition to PEVs and reduce greenhouse gas emissions, including a limited number of increased incentives to nonprofit mobility services organizations, and authorizes $500,000.00 in incentives under the Electrify Your Fleet Program.

(C) eBike Incentive Program. Sec. 22 of this act authorizes an additional $50,000.00 in incentives under the eBike Incentive Program.

(9) Carbon Reduction Formula Program and Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program. This act provides for a fiscal year expenditure of $12,771,029.00 in State and federal monies under the Carbon Reduction Formula Program and the PROTECT Formula Program.

* * * Highway Maintenance * * *

Sec. 3. HIGHWAY MAINTENANCE

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance, authorized spending is amended as follows:

FY24	As Proposed	As Amended	Change
Person. Svcs.	42,637,277	42,637,277	0
Operat. Exp.	65,893,488	65,043,488	-850,000
Total	108,530,765	107,680,765	-850,000
Sources of funds			
State	107,784,950	106,934,950	-850,000
Federal	645,815	645,815	0
Inter Unit	100,000	100,000	0
Total	108,530,765	107,680,765	-850,000

(b) Restoring the fiscal year 2024 Maintenance Program appropriation and authorization to the level included in the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program shall be the Agency's top fiscal priority.

(1) If there are unexpended State fiscal year 2023 appropriations of Transportation Fund monies then, at the close of State fiscal year 2023, an amount up to $850,000.00 of any unencumbered Transportation Fund monies appropriated in 2022 Acts and Resolves No. 185, Secs. B.900–B.922, as amended by 2023 Acts and Resolves No. 3, Secs. 43–44a, that would otherwise be authorized to carry forward is reappropriated for the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance 30 days after the Agency sends written notification of the request for the unencumbered Transportation Fund monies to be reappropriated to the Joint Transportation Oversight Committee, provided that the Joint Transportation Oversight Committee does not send written objection to the Agency.

(2) If the Agency utilizes available federal monies in lieu of one-time Transportation Fund monies for Green Mountain Transit pursuant to Sec. 14(c) of this act, then the one-time Transportation Fund monies authorized for expenditure pursuant to Sec. 14(b) of this act that are not required for public transit may instead go towards restoring the Highway Maintenance budget.

(3) If any unencumbered Transportation Fund monies are reappropriated pursuant to subdivision (1) of this subsection or made available pursuant to subdivision (2) of this subsection, then, within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance,

authorized spending is further amended to increase operating expenses by not more than $850,000.00 in Transportation Fund monies.

(4) Notwithstanding subdivisions (1)–(3) of this subsection, the Agency may request further amendments to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Maintenance through the State fiscal year budget adjustment act.

* * * Paving * * *

Sec. 4. PAVING; STATEWIDE DISTRICT LEVELING

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Paving, authorized spending for STATEWIDE District Leveling TBD is amended as follows:

FY24	As Proposed	As Amended	Change
Const.	3,150,000	3,150,000	0
Total	3,150,000	3,150,000	0
Sources of funds			
State	3,150,000	150,000	-3,000,000
Other	0	3,000,000	3,000,000
Total	3,150,000	3,150,000	0

(b) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Paving, the following footnote is added: "Other funds of $3,000,000 are Cash Fund for Capital and Essential Investments (21952) funds, drawn from the Other Infrastructure, Essential Investments, and Reserves subaccount."

* * * One-Time Appropriations * * *

Sec. 5. ONE-TIME APPROPRIATIONS

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, authorized spending is amended as follows:

FY24	As Proposed	As Amended	Change
Operating	3,500,000	3,500,000	0
Grants	3,000,000	1,000,000	-2,000,000
Total	6,500,000	4,500,000	-2,000,000
Sources of funds			
General	3,000,000	0	-3,000,000
Capital	3,500,000	0	-3,500,000
Other	0	4,500,000	4,500,000
Total	6,500,000	4,500,000	-2,000,000

(b) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, "St. Albans District Maintenance Facility - $3.5M Capital Fund Operating" is struck and "St. Albans District Maintenance Facility - $3.5M Cash Fund for Capital and Essential Investments funds (21952, Other Infrastructure, Essential Investments, and Reserves subaccount)" is inserted in lieu thereof.

(c) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for One-Time Appropriations, "Rail Trail Community Connectivity Grants - $3M General Fund Grants" is struck and "Rail Trail Community Connectivity Grants - $1M Cash Fund for Capital and Essential Investments funds (21952, Other Infrastructure, Essential Investments, and Reserves subaccount)" is inserted in lieu thereof.

* * * St. Albans District Maintenance Facility * * *

Sec. 6. ST. ALBANS DISTRICT MAINTENANCE FACILITY

The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Transportation Buildings: St. Albans District Maintenance Facility.

* * * Rail Trail Community Connectivity Grants * * *

Sec. 7. RAIL TRAIL COMMUNITY CONNECTIVITY GRANTS

(a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Rail Program: Rail Trail Community Connectivity Grants.

(b) Purpose. The purpose of the Rail Trail Community Connectivity Grants is to continue the build-out and enhancement of Lamoille Valley Rail Trail (LVRT) amenities and improve visitor experience, which shall be consistent with the priorities outlined in the recently completed LVRT Management Plan.

(c) Eligible projects. Projects may include trail infrastructure improvements, such as trailheads, picnic areas, kiosks, and connections to towns; signage; and interpretive panel installations.

(d) Match. Grant recipients shall be required to provide a 20 percent match toward any projects that are awarded a grant.

* * * State Airports * * *

Sec. 8. SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

(a)(1) The Agency of Transportation is authorized to issue a request for proposals for the purchase or lease of the Caledonia County State Airport,

located in the Town of Lyndon, and the Agency shall consult with the Town of Lyndon on any requests for proposals related to the purchase or lease of the Airport prior to the issuance of any requests for proposals related to the purchase or lease of the Airport.

(2) The request for proposal shall include a request for a business plan, which shall, at a minimum, include the prospective purchaser's or lessor's plans for investments in the Airport and the surrounding communities and may include plans for partnerships with secondary and post-secondary institutions in the surrounding communities.

(b) Subject to obtaining any necessary approvals from the U.S. Federal Aviation Administration, the Vermont Secretary of Transportation, as agent for the State, is authorized to convey the Airport property by warranty deed according to the terms of a purchase and sale agreement or through a long-term lease.

(c) Any such conveyance shall:

(1) include assignment of the State's interest in easements, leases, licenses, and other agreements pertaining to the Airport and the acceptance of the State's obligations under such easements, leases, licenses, and other agreements that requires, at a minimum, that any leases and terms of leases that are in effect at the time of the conveyance of the Airport are fully honored for the balance of the lease term;

(2) ensure that there are investments in the Airport to address current deficiencies and necessary repairs;

(3) ensure that the Airport continues to be a public-use airport and that the public continues to have access to the Airport for general aviation uses in perpetuity;

(4) ensure that the Airport continues to be identified as a public-use airport within the National Plan of Integrated Airport Systems until at least 2050, subject to federal determination;

(5) include, if the Airport is conveyed through a purchase and sale agreement, a six-month right of first refusal, running from the date that the owner of the Airport provides notice to the State of an intent to sell the Airport, for the State to repurchase the Airport at fair market value before the Airport is resold or transferred to a new owner; and

(6) include, if the Airport is leased, that the lease cannot be either assigned or the lessor cannot sub-lease all or substantially all of the Airport without the written approval of the Vermont Secretary of Transportation.

(d) The Agency shall not proceed with a sale or lease of the Airport unless:

(1) there is a fair market value offer, as required under 19 V.S.A. § 10k(b) or 26a(a), that meets the requirements of subsection (c) of this section; and

(2) the Town of Lyndon is given the opportunity to review and comment on the final purchase and sale agreement or lease as applicable.

(e) This section shall constitute specific prior approval, including of any sale or lease terms, by the General Assembly for purposes of 5 V.S.A. § 204.

Sec. 9. REPEAL OF AUTHORITY FOR SALE OR LEASE OF CALEDONIA COUNTY STATE AIRPORT

Sec. 8 of this act shall be repealed on May 1, 2026.

* * * Project Cancellations; Project Addition * * *

Sec. 10. PROJECT CANCELLATIONS; PROJECT ADDITION

(a) Town of Bennington.

(1) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project within the Roadway Program: Bennington Bypass South NH F 019-1(4) – Southern Segment of the Bennington Bypass.

(2) The Agency shall engage with the Town of Bennington to understand the planned municipal transportation projects or potential municipal transportation projects, or both, within the right-of-way purchased for the Bennington Bypass South NH F 019-1(4) – Southern Segment of the Bennington Bypass project.

(b) Town of Sheldon.

(1) Pursuant to 19 V.S.A. § 10g(h) (legislative approval for cancellation of projects), the General Assembly approves cancellation of the following project within the Town Highway Bridge Program: Sheldon BO 1448(47) – Scoping for Bridge #20 on TH #22.

(2) The following project is added to the Town Highway Bridge Program: Sheldon BO 1448(48) – Scoping for Bridge #11 on Bridge Street, which will replace the existing Sheldon BO TRUS(11) as a Development and Evaluation project.

* * * Transportation Alternatives Grant Program * * *

Sec. 11. TRANSPORTATION ALTERNATIVES GRANT PROGRAM AWARDS IN STATE FISCAL YEARS 2024 TO 2027

Notwithstanding 19 V.S.A. § 38(c), Transportation Alternatives Grant Program awards in State fiscal years 2024 to 2027 shall not exceed $600,000.00 per grant allocation.

* * * Central Garage Fund * * *

* * * Amendments Effective July 1, 2023 * * *

Sec. 12. 19 V.S.A. § 13 is amended to read:

§ 13. CENTRAL GARAGE FUND

(a) There is created the Central Garage Fund, which shall be used to:

(1) ~~to~~ furnish equipment on a rental basis to the districts and other sections of the Agency for construction, maintenance, and operation of highways or other transportation activities; and

(2) ~~to~~ provide a general equipment repair and major overhaul service, inclusive of any assets, supplies, labor, or use of contractors necessary to provide that service, as well as to furnish necessary supplies for the operation of the equipment.

(b) ~~To~~ In order to maintain ~~a~~ safe~~,~~ and reliable equipment ~~fleet~~, the Agency shall use Central Garage Fund monies to acquire new or replacement ~~highway maintenance~~ equipment ~~shall be acquired using Central Garage Fund monies~~. The Agency is authorized to acquire replacement pieces for existing ~~highway~~ equipment or new, additional equipment equivalent to equipment already owned~~; however, the Agency shall not increase the total number of permanently assigned or authorized motorized or self-propelled vehicles without approval by the General Assembly~~.

(c)(1) For the purpose specified in subsection (b) of this section, the following amount shall be transferred from the Transportation Fund to the Central Garage Fund:

(A) in fiscal year 2021, $1,355,358.00; and

(B) in subsequent fiscal years, at a minimum, the amount specified in subdivision (A) of this subdivision (1) as adjusted annually by increasing the previous fiscal year's amount by the percentage increase in the Bureau of Labor Statistics Consumer Price Index for All Urban Consumers (CPI-U) during the two most recently closed State fiscal years.

(2) Each fiscal year, the sum of the following shall be appropriated from the Central Garage Fund exclusively for the purpose specified in subsection (b) of this section:

(A) the amount transferred pursuant to subdivision (1) of this subsection (c);

(B) the amount of the equipment depreciation expense from the prior fiscal year; and

(C) the amount of the net equipment sales from the prior fiscal year.

(d) In each fiscal year, net income of the Fund earned during that fiscal year shall be retained in the Fund.

(e) For the purposes of computing net worth and net income, the fiscal year shall be the year ending June 30.

(f) As used in this section, "equipment" means registered motor vehicles and ~~highway maintenance equipment assigned to~~ necessary assets required by the Central Garage in order to fulfill the objectives established in subsection (a) of this section.

(g) [Repealed.]

* * * Appropriation for Acquisition of New or Replacement Equipment in State Fiscal Years 2024–2026 * * *

Sec. 13. CALCULATION OF APPROPRIATION FROM CENTRAL GARAGE FUND FOR ACQUISITION OF NEW OR REPLACEMENT EQUIPMENT IN STATE FISCAL YEARS 2024–2026

Notwithstanding 19 V.S.A. § 13(c)(2)(B), the amount appropriated from the Central Garage Fund exclusively for the purposes specified in 19 V.S.A. § 13(b) in State fiscal years 2024–2026 shall be:

(1) the amount transferred pursuant to 19 V.S.A. § 13(c)(1);

(2) the amount of the equipment depreciation expense from the prior fiscal year or, for equipment that is fully depreciated and still actively in service, an amount equal to the depreciation on that piece of equipment from the prior year; and

(3) the amount of the net equipment sales from the prior fiscal year.

* * * Public Transit * * *

Sec. 14. ONE-TIME PUBLIC TRANSIT MONIES; GREEN MOUNTAIN TRANSIT; PLAN FOR TIERED-FARE SERVICE; REPORT

(a) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program: Increased One-Time Monies for Public Transit for Fiscal Year 2024.

(b) Authorization. Spending authority for Increased One-Time Monies for Public Transit for Fiscal Year 2024 is authorized as follows:

FY24	As Proposed	As Amended	Change
Other	0	850,000	850,000
Total	0	850,000	850,000
Sources of funds			
State	0	850,000	850,000
Total	0	850,000	850,000

(c) Federal monies. The Agency shall utilize available federal monies in lieu of the authorization in subsection (b) of this section to the greatest extent practicable, provided that there is no negative impact on any local public transit providers.

(d) Implementation. The Agency of Transportation shall distribute the authorization in subsection (b) of this section to Green Mountain Transit for the following during fiscal year 2024:

(1) to operate routes on a zero-fare basis, with a return to the collection of fares from some passengers not later than January 1, 2024; and

(2) to prepare for the transition to tiered-fare service in accordance with the plan prepared pursuant to subsection (e) of this section, which may include the acquisition and maintenance of fare-collection systems.

(e) Plan for tiered-fare service.

(1) Green Mountain Transit shall, in consultation with community action agencies and other relevant entities, such as those that represent the migrant and refugee populations, develop and implement, not later than January 1, 2024, a plan to establish tiered-fare service on urban Green Mountain Transit routes.

(2) At a minimum, the plan to establish tiered-fare service shall:

(A) incorporate a low-income transit program to provide certain passengers with service at no cost or a reduced cost to the passenger through digital methods, such as a handheld device, and nondigital methods, such as an electronic benefits transfer (EBT) card or a transit card; and

(B) be designed, based on reasonable revenue estimates, to generate fare revenue of at least 10 percent of projected operational costs on urban Green Mountain Transit routes.

(3) Green Mountain Transit shall advise the House and Senate Committees on Transportation of its plan to establish tiered-fare service by

filing the final version of the plan to establish tiered-fare service with the House and Senate Committees on Transportation Committees on or before December 1, 2023.

Sec. 15. RECOMMENDATIONS ON FUNDING SOURCE FOR NONFEDERAL MATCH; PUBLIC TRANSIT; REPORT

The Vermont Public Transportation Association, in consultation with the Agency of Transportation and the Vermont League of Cities and Towns, shall provide, not later than January 15, 2024, the House and Senate Committees on Transportation with a written recommendation on one or more funding sources for the nonfederal match required of public transit providers operating in the statewide transit system.

Sec. 16. STATEWIDE PUBLIC TRANSIT SYSTEM; RECOMMENDATIONS; REPORT

(a) The Agency of Transportation, in consultation with the Agency of Human Services, Division of Vermont Health Access, and the Vermont Public Transportation Association, shall conduct a benefit and risk assessment of the current systems for delivering public transit and nonemergency medical transportation services in Vermont, known as the "braided service model."

(b) The assessment shall also include a review of other public transit service approaches implemented in the United States and make recommendations on modifications to the management of Vermont's statewide mobility service design to make Vermont's public transit system as efficient, robust, and resilient as possible and fully maximize all available federal funding.

(c) The Agency of Transportation shall file the written assessment with the House and Senate Committees on Transportation, the House Committee on Human Services, and the Senate Committee on Health and Welfare not later than January 15, 2024.

Sec. 17. SEPARATING THE MOBILITY AND TRANSPORTATION INNOVATIONS (MTI) GRANT PROGRAM FROM GO! VERMONT

(a) Go! Vermont. Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Public Transit, authorized spending for Go! Vermont STPG GOVT( ) is amended as follows:

FY24	As Proposed	As Amended	Change
Other	905,000	405,000	-500,000
Total	905,000	405,000	-500,000

Sources of funds			
State	30,000	30,000	0
Federal	875,000	375,000	-500,000
Total	905,000	405,000	-500,000

(b) Mobility and Transportation Innovations (MTI) Grant Program.

(1) Project addition. The following project is added to the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Public Transit: Mobility and Transportation Innovations (MTI) Grant Program.

(2) Authorization. Spending authority for MTI Grant Program is authorized as follows:

FY24	As Proposed	As Amended	Change
Other	0	500,000	500,000
Total	0	500,000	500,000
Sources of funds			
Federal	0	500,000	500,000
Total	0	500,000	500,000

* * * Vehicle Incentive Programs * * *

* * * Repeal of Existing Vehicle Incentive Programs * * *

Sec. 18. REPEALS

(a) 2019 Acts and Resolves No. 59, Sec. 34, as amended by 2020 Acts and Resolves No. 121, Sec. 14, 2020 Acts and Resolves No. 154, Sec. G.112, 2021 Acts and Resolves No. 3, Sec. 56, 2021 Acts and Resolves No. 55, Secs. 18, 19, and 21–24, and 2022 Acts and Resolves No. 184, Sec. 6, is repealed.

(b) 2021 Acts and Resolves No. 55, Sec. 27, as amended by 2022 Acts and Resolves No. 184, Sec. 22, is repealed.

* * * Codification of Vehicle Incentive Programs * * *

Sec. 19. 19 V.S.A. chapter 29 is added to read:

CHAPTER 29. VEHICLE INCENTIVE PROGRAMS

§ 2901. DEFINITIONS

As used in this chapter:

(1) "Adaptive electric cycle" means an electric bicycle or an electric cargo bicycle that has been modified to meet the physical needs or abilities of the operator or a passenger.

(2) "Electric bicycle" has the same meaning as in 23 V.S.A. § 4(46)(A).

(3) "Electric cargo bicycle" means a motor-assisted bicycle, as defined in 23 V.S.A. § 4(45)(B)(i), with an electric motor, as defined under 23 V.S.A. § 4(45)(B)(i)(II), that is specifically designed and constructed for transporting loads, including at least one or more of the following: goods; one or more individuals in addition to the operator; or one or more animals. A motor-assisted bicycle that is not specifically designed and constructed for transporting loads, including a motor-assisted bicycle that is only capable of transporting loads because an accessory rear or front bicycle rack has been installed, is not an electric cargo bicycle.

(4) "Plug-in electric vehicle (PEV)," "battery electric vehicle (BEV)," and "plug-in hybrid electric vehicle (PHEV)" have the same meanings as in 23 V.S.A. § 4(85).

§ 2902. INCENTIVE PROGRAM FOR NEW PLUG-IN ELECTRIC VEHICLES

(a) Creation; administration.

(1) There is created the Incentive Program for New Plug-In Electric Vehicles (PEVs), which shall be administered by the Agency of Transportation.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.

(b) Program structure. The Incentive Program for New PEVs shall structure PEV purchase and lease incentive payments by income to help all Vermonters benefit from electric driving, including Vermont's most vulnerable. Specifically, the Incentive Program for New PEVs:

(1) shall apply to both purchases and leases of new PEVs with an emphasis on incentivizing the purchase and lease of battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs) with an electric range of 20 miles or greater per complete charge as rated by the Environmental Protection Agency when the vehicle was new;

(2) shall provide not more than one incentive of not more than $3,000.00 for a PEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than $60,000.00 and at or below $100,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than $75,000.00 and at or below $125,000.00;

(C) 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 $90,000.00 and at or below $150,000.00;

(D) 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 $90,000.00 and at or below $150,000.00; or

(E) 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 $60,000.00 and at or below $100,000.00;

(3) shall provide not more than one incentive of not more than $6,000.00 for a PEV, per individual per year, to:

(A) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below $60,000.00;

(B) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below $75,000.00;

(C) 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 $90,000.00;

(D) 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 $90,000.00; or

(E) 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 $60,000.00;

(4) shall, as technology progresses, establish a minimum electric range in order for a PHEV to be eligible for an incentive;

(5) shall apply to:

(A) manufactured PEVs with any base Manufacturer's Suggested Retail Price (MSRP) that will be issued a special registration plate by the

Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a or will predominately be used to provide accessible transportation for the incentive recipient or a member of the incentive recipient's household, provided that the incentive recipient or the member of the incentive recipient's household has a removable windshield placard issued by the Commissioner of Motor Vehicles pursuant to 23 V.S.A. § 304a;

(B) manufactured PHEVs with a base MSRP as determined by the Agency of Transportation and meeting the following requirements:

(i) shall not exceed a base MSRP of $55,000.00;

(ii) shall phase out incentives for PHEVs with an electric range of less than 20 miles as rated by the Environmental Protection Agency when the vehicle was new; and

(iii) shall be benchmarked to a base MSRP of the equivalent of approximately $50,000.00 or less in model year 2023; and

(C) manufactured BEVs with a base MSRP as determined by the Agency of Transportation and meeting the following requirements:

(i) shall not exceed a base MSRP of $55,000.00; and

(ii) shall be benchmarked to a base MSRP of the equivalent of approximately $50,000.00 or less in model year 2023; and

(6) shall 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.

(c) Administrative costs. Up to 15 percent of any appropriations for the Incentive Program for New PEVs may be used for any costs associated with administering and promoting the Incentive Program for New PEVs.

(d) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Incentive Program for New PEVs so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

§ 2903. MILEAGESMART

(a) Creation; administration.

(1) There is created a used high fuel efficiency vehicle incentive program, which shall be administered by the Agency of Transportation and known as MileageSmart.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of MileageSmart.

(b) Program structure. MileageSmart shall structure high fuel efficiency purchase incentive payments by income to help all Vermonters benefit from more efficient driving and reduced greenhouse gas emissions, including Vermont's most vulnerable. Specifically, MileageSmart shall:

(1) apply to purchases of used high fuel-efficient motor vehicles, which for purposes of this program shall be pleasure cars with a combined city/highway fuel efficiency of at least 40 miles per gallon or miles-per-gallon equivalent as rated by the Environmental Protection Agency when the vehicle was new; and

(2) provide not more than one point-of-sale voucher worth up to $5,000.00 to an individual who is a member of a household with an adjusted gross income that is at or below 80 percent of the State median income.

(c) Administrative costs. Up to 15 percent of any appropriations for MileageSmart may be used for any costs associated with administering and promoting MileageSmart.

(d) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of MileageSmart so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available, and such costs shall be considered administrative costs for purposes of subsection (c) of this section.

§ 2904. REPLACE YOUR RIDE PROGRAM

(a) Creation; administration.

(1) There is created the Replace Your Ride Program, which shall be administered by the Agency of Transportation.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.

(b) Program structure. The Replace Your Ride Program shall structure incentive payments by income to help all Vermonters benefit from replacing lower efficient modes of transportation with modes of transportation that reduce greenhouse gas emissions. The Agency may apply a sliding scale incentive based on electric range, with larger incentives being available for PEVs with a longer electric range.

(c) Incentive amount. The Replace Your Ride Program shall provide up to a $2,500.00 incentive for those who qualify under subdivision (d)(1)(A) of this section and up to a $5,000.00 incentive for those who qualify under subdivision (d)(1)(B) of this section, either of 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.

(d) Eligibility. Applicants must qualify through both income and the removal of an eligible vehicle with an internal combustion engine.

(1) Income eligibility.

(A) The lower incentive amount of up to $2,500.00 is available to the following, provided that all other eligibility requirements are met:

(i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States greater than $60,000.00 and at or below $100,000.00;

(ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States greater than $75,000.00 and at or below $125,000.00;

(iii) 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 $90,000.00 and at or below $150,000.00;

(iv) 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 $90,000.00 and at or below $150,000.00; or

(v) 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 $60,000.00 and at or below $100,000.00.

(B) The higher incentive amount of up to $5,000.00 is available to the following, provided that all other eligibility requirements are met:

(i) an individual domiciled in the State whose federal income tax filing status is single with an adjusted gross income under the laws of the United States at or below $60,000.00;

(ii) an individual domiciled in the State whose federal income tax filing status is head of household with an adjusted gross income under the laws of the United States at or below $75,000.00;

(iii) 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 $90,000.00;

(iv) 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 $90,000.00;

(v) 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 $60,000.00; or

(vi) an individual who is a member of a household with an adjusted gross income that is at or below 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, electric cargo bicycle, adaptive electric cycle, or motorcycle that is fully electric, and the necessary safety equipment; and

(III) utilizing shared-mobility services.

(e) Administrative costs. Up to 15 percent of any appropriations for the Replace Your Ride Program may be used for any costs associated with administering and promoting the Replace Your Ride Program.

(f) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Replace Your Ride Program so that Vermonters who are eligible for an incentive can easily learn how to secure as many different incentives as are available and such costs shall be considered administrative costs for purposes of subsection (e) of this section.

§ 2905. ANNUAL REPORTING

(a) The Agency shall annually evaluate the programs established under this chapter to gauge effectiveness and shall submit a written report on the effectiveness of the programs to the House and Senate Committees on Transportation, the House Committee on Environment and Energy, and the Senate Committee on Finance on or before the 31st day of January in each year following a year that an incentive was provided through one of the programs.

(b) The report shall also include:

(1) any intended modifications to program guidelines for the upcoming fiscal year along with an explanation for the reasoning behind the modifications and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions; and

(2) any recommendations on statutory modifications to the programs, including to income and vehicle eligibility, along with an explanation for the reasoning behind the statutory modification recommendations and how the modifications will yield greater uptake of PEVs and other means of transportation that will reduce greenhouse gas emissions.

(c) Notwithstanding 2 V.S.A. § 20(d), the annual report required under this section shall continue to be required if an incentive is provided through one of the programs unless the General Assembly takes specific action to repeal the report requirement.

* * * Vehicle Incentive Program; Fiscal Year 2023 Authorizations * * *

Sec. 20. 2022 Acts and Resolves No. 184, Sec. 5 is amended to read:

Sec. 5. VEHICLE INCENTIVE PROGRAMS

(a) Incentive Program for New PEVs. The Agency is authorized to spend up to $12,000,000.00 as appropriated in the fiscal year 2023 budget on the Incentive Program for New PEVs established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.

(b) MileageSmart. The Agency is authorized to spend up to $3,000,000.00 as appropriated in the fiscal year 2023 budget on MileageSmart as established in 2019 Acts and Resolves No. 59, Sec. 34, as amended, and subsequently codified in 19 V.S.A. chapter 29.

(c) Replace Your Ride Program. The Agency is authorized to spend up to $3,000,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended, and subsequently codified in 19 V.S.A. chapter 29.

* * *

* * * Electrify Your Fleet Program and eBike Incentive Program * * *

* * * Creation of Electrify Your Fleet Program and Authorization * * *

Sec. 21. ELECTRIFY YOUR FLEET PROGRAM; AUTHORIZATION

(a) Creation; administration.

(1) There is created the Electrify Your Fleet Program, which shall be

administered by the Agency of Transportation.

(2) Subject to State procurement requirements, the Agency may retain a contractor or contractors to assist with marketing, program development, and administration of the Program.

(b) Authorization. The Agency is authorized to spend up to $500,000.00 in one-time General Fund monies on the Electrify Your Fleet Program established pursuant to subdivision (a)(1) of this section.

(c) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 19 of this act, shall apply to this section.

(d) Program structure. The Electrify Your Fleet Program shall reduce the greenhouse gas emissions of persons operating a motor vehicle fleet in Vermont by structuring purchase and lease incentive payments on a first-come, first-served basis to replace vehicles other than a plug-in electric vehicle (PEV) cycled out of a motor vehicle fleet or avoid the purchase of vehicles other than a PEV for a motor vehicle fleet. Specifically, the Electrify Your Fleet Program shall:

(1) provide incentives to Vermont municipalities and business entities registered in Vermont that maintain a fleet of motor vehicles that are registered in Vermont with no single applicant being eligible for more than 20 incentives over the existence of the Program;

(2) provide $2,500.00 purchase and lease incentives for:

(A) BEVs with a base Manufacturer's Suggested Retail Price (MSRP) of $60,000.00 or less;

(B) PHEVs with an electric range of 20 miles or greater per complete charge as rated by the Environmental Protection Agency when the vehicle was new and a base MSRP of $60,000.00 or less;

(C) electric bicycles and electric cargo bicycles with a base MSRP of $6,000.00 or less;

(D) adaptive electric cycles with any base MSRP;

(E) electric motorcycles with a base MSRP of $30,000.00 or less; and

(F) electric snowmobiles with a base MSRP of $20,000.00 or less;

(3) require a showing that the incentive will be used to electrify the applicant's motor vehicle fleet; and

(4) require a showing of any other requirements implemented by the Agency of Transportation that are designed to maximize the impact of State-

funded Electrify Your Fleet Program incentives by ensuring that, as applicable, other incentives, subsidies, and credits are fully taken advantage of.

(e) Increased incentives for nonprofit mobility services organizations. Nonprofit mobility services organizations incorporated in the State of Vermont for the purpose of providing Vermonters with transportation alternatives to personal vehicle ownership shall be entitled to:

(1) up to 15 $2,500.00 incentives available under subsection (d) of this section on a first-come, first-served basis amongst all applicants for incentives under the Electrify Your Fleet Program over the existence of the Program, provided that the requirements of subsection (d) of this section are met; and

(2) notwithstanding subdivisions (d)(1) and (2) of this section, up to five increased incentives at the incentive amount available to individuals who purchase or lease a BEV and who qualify for an incentive under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act, for BEVs with a base MSRP of $55,000.00 or less, provided that the requirements of subdivisions (d)(3) and (4) of this section are met.

(f) Administrative costs. Up to 15 percent of any appropriations for the Electrify Your Fleet Program may be used for any costs associated with administering and promoting the Electrify Your Fleet Program.

(g) Outreach and marketing. The Agency, in consultation with any retained contractors, shall ensure that there is sufficient outreach and marketing, including the use of translation and interpretation services, of the Electrify Your Fleet Program so that persons who are eligible for an incentive can easily learn how to secure an incentive and such costs shall be considered administrative costs for purposes of subsection (f) of this section.

(h) Reporting. The reporting requirements of 19 V.S.A. § 2905, as added by Sec. 19 of this act, shall, notwithstanding 2 V.S.A. § 20(d), apply to the Electrify Your Fleet Program if an incentive is provided through the Electrify Your Fleet Program unless the General Assembly takes specific action to repeal the report requirement.

* * * eBike Incentive Program; Authorization * * *

Sec. 22. MODIFICATIONS TO EBIKE INCENTIVE PROGRAM; REPORT

(a) Definitions. The definitions in 19 V.S.A. § 2901, as added by Sec. 19 of this act, shall apply to this section.

(b) Authorization and modifications. The Agency is authorized to spend up to $50,000.00 in one-time General Fund monies on the continuation of the eBike Incentive Program established pursuant to 2021 Acts and Resolves No. 55, Sec. 28, as amended by 2022 Acts and Resolves No. 184, Sec. 23, with the following modifications:

(1) incentives shall be provided in the form of a voucher redeemable as a point-of-sale rebate at participating retail shops;

(2) vouchers shall be provided to applicants that self-certify as to both:

(A) meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act; and

(B) that the incentivized electric bicycle, electric cargo bicycle, or adaptive electric cycle shall be used in a way that reduces greenhouse gas emissions, such as a substitute for trips that would have been taken in a vehicle other than a plug-in electric vehicle;

(3) only electric bicycles with a base Manufacturer's Suggested Retail Price (MSRP) of $4,000.00 or less shall be eligible for an incentive;

(4) only electric cargo bicycles with a base MSRP of $5,000.00 or less shall be eligible for an incentive;

(5) an adaptive electric cycle with any base MSRP shall be eligible for an incentive; and

(6) only electric bicycles, electric cargo bicycles, and adaptive electric cycles that meet one or more of the following standards shall be eligible for an incentive:

(A) American National Standard (ANSI)/Controller Area Network (CAN)/Underwriters Laboratories (UL) 2849 – Standard for Electrical Systems for eBikes, as amended, and any standards incorporated by reference in ANSI/CAN/UL 2849;

(B) Europäische Norm (EN) 15194 – Electrically Power Assisted Cycles (EPAC Bicycles), as amended; or

(C) another applicable standard designed to reduce the serious risk of dangerous fires, as determined by the Agency of Transportation, if neither of the standards in subdivisions (A) and (B) of this subdivision (6) are applicable.

(c) Administrative costs. Up to 15 percent of the authorization in subsection (b) of this section may be used for any costs associated with administering and promoting the eBike Incentive Program.

(d) Reporting. The Agency of Transportation shall address incentives for electric bicycles, electric cargo bicycles, and adaptive electric cycles provided pursuant to this section in the January 31, 2024 report required under 19 V.S.A. § 2905, as added by Sec. 19 of this act, including:

(1) the demographics of who received an incentive under the eBike Incentive Program;

(2) a breakdown of where vouchers were redeemed;

(3) a breakdown, by manufacturer and type, of electric bicycles, electric cargo bicycles, and adaptive electric cycles incentivized;

(4) a detailed summary of information provided in the self-certification forms; and

(5) a detailed summary of information collected through participant surveys.

Sec. 23. AGENCY OF TRANSPORTATION AUTHORITY TO MODIFY INCOME ELIGIBILITY REQUIREMENTS FOR EBIKE INCENTIVE PROGRAM ON PASSAGE; LEGISLATIVE INTENT

(a) Notwithstanding 2022 Acts and Resolves No. 55, Sec. 28(a)(3), the Agency of Transportation may choose to only provide incentives under an eBike Incentive Program to individuals who self-certify as to meeting income eligibility requirements under 19 V.S.A. § 2902(b)(3) (the lower-income tier for the Incentive Program for New PEVs), as added by Sec. 19 of this act.

(b) It is the intent of the General Assembly that:

(1) the $100,000.00 made available for the eBike Incentive Program under 2023 Acts and Resolves No. 3, Secs. 83 and 85, less administrative costs allowed under 2022 Acts and Resolves No. 184, Sec. 5(f), be expeditiously distributed under the first eBike Incentive Program established pursuant to 2022 Acts and Resolves No. 55, Sec. 28(a)(3) while the Agency works with its contractor to establish the modified eBike Incentive Program in accordance with Sec. 22 of this act; and

(2) the balance of the $100,000.00 made available for the eBike Incentive Program under 2023 Acts and Resolves No. 3, Secs. 83 and 85, less administrative costs allowed under 2022 Acts and Resolves No. 184, Sec. 5(f), that is not yet expended as of the implementation of the modified eBike Incentive Program in accordance with Sec. 22 of this act and the $50,000.00 made available for the eBike Incentive Program under Sec. 22(b) of this act, less administrative costs allowed under Sec. 22(c) of this act, shall be distributed under the modified eBike Incentive Program, which shall launch

not later than July 1, 2023.

* * * Reallocation of Funding * * *

Sec. 24. 2022 Acts and Resolves No. 184, Sec. 2(8)(C), as amended by 2023 Acts and Resolves No. 3, Sec. 83, is further amended to read:

(C) Replace Your Ride Program. Sec. 5(c) of this act authorizes ~~$2,900,000.00~~ $2,350,000.00 for incentives under Replace Your Ride, 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 capped administrative costs.

Sec. 25. 2022 Acts and Resolves No. 184, Sec. 5(c), as amended by 2023 Acts and Resolves No. 3, Sec. 84, is further amended to read:

(c) Replace Your Ride Program. The Agency is authorized to spend up to ~~$2,900,000.00~~ $2,350,000.00 as appropriated in the fiscal year 2023 budget on the Replace Your Ride Program established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

Sec. 26. 2022 Acts and Resolves No. 185, Sec. G.600(b)(5), as amended by 2023 Acts and Resolves No. 3, Sec. 85, is further amended to read:

(5) ~~$2,900,000.00~~ $2,350,000.00 to the Agency of Transportation for the Replace Your Ride Program, established in 2021 Acts and Resolves No. 55, Sec. 27, as amended.

* * * Mileage-Based User Fee (MBUF) * * *

Sec. 27. MILEAGE-BASED USER FEE LEGISLATIVE INTENT

It is the intent of the General Assembly for the State:

(1) to start collecting a mileage-based user fee from all battery-electric vehicles registered in Vermont starting on July 1, 2025, which is expected to be the first day of the first fiscal year when more than 15 percent of new pleasure car registrations in the State are plug-in electric vehicles (PEVs);

(2) to start subjecting plug-in hybrid electric vehicles (PHEVs) that are a pleasure car to an increased annual or a biennial registration fee starting on July 1, 2025, and that PHEVs shall not be subject to a mileage-based user fee;

(3) to work towards collecting a fee on kWhs that are dispensed through certain electric vehicle supply equipment available to the public so as to supplant lost gas tax revenue from PEVs; and

(4) to not commence collecting a mileage-based user fee until such authorizing language is codified in statute and becomes effective.

Sec. 28. MILEAGE-BASED USER FEE AUTHORIZATION

(a) Within the Agency of Transportation's Proposed Fiscal Year 2024 Transportation Program for Environmental Policy and Sustainability, the Agency of Transportation, including the Department of Motor Vehicles, is authorized to apply for and accept a competitive federal Strategic Innovation for Revenue Collection grant established pursuant to the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA), Sec. 13001, with up to $350,000.00 in Transportation Fund monies authorized for the nonfederal match in fiscal year 2024 and a to-be-determined amount for the nonfederal match in subsequent fiscal years.

(b) As permitted under federal regulations and grant terms, the Agency shall utilize grant monies to design a mileage-based user fee that is consistent with Secs. 27 and 29 of this act.

(c) Subject to State procurement requirements, the Agency may retain one or more contractors or consultants, or both, to assist with the design of a process to commence collecting a mileage-based user fee on July 1, 2025.

Sec. 29. MILEAGE-BASED USER FEE DESIGN

(a) Definitions. As used in Secs. 27–30 of this act:

(1) "Account manager" means a person under contract with the Agency of Transportation or Department of Motor Vehicles to administer and manage the mileage-based user fee.

(2) "Annual vehicle miles traveled" means the total number of miles that a BEV is driven between annual inspections as reported by an inspection mechanic to the Department of Motor Vehicles.

(3) "Mileage-based user fee" means the total amount that an owner or lessee of a BEV registered in Vermont owes the State and is calculated by multiplying the mileage-based user fee rate by the annual vehicle miles traveled or, in the case of a terminating event, by multiplying the mileage-based user fee rate by the vehicle miles traveled between the last Vermont annual inspection and the terminating event.

(4) "Mileage-based user fee rate" means the per-mile usage fee charged to the owner or lessee of a BEV registered in Vermont.

(5) "Mileage reporting period" means the time between annual inspections or the time between an annual inspection and a terminating event.

(6) "Pleasure car" has the same meaning as in 23 V.S.A. § 4(28).

(7) "Plug-in electric vehicle (PEV)" has the same meaning as in 23 V.S.A. § 4(85) and includes battery electric vehicles (BEVs) and plug-in hybrid electric vehicles (PHEVs), which have the same meaning as in 23 V.S.A. § 4(85)(A) and (B).

(8) "Terminating event" means either the registering of a BEV that had been registered in Vermont in a different state or a change in ownership or lesseeship of the BEV, or both.

(b) Commencement date. The Agency shall design a process to collect a mileage-based user fee for miles driven by a BEV registered in Vermont to commence collecting revenue on July 1, 2025.

(c) Covered vehicles. The Agency shall design a process to collect a mileage-based user fee based on the annual vehicle miles traveled by BEVs registered in the State.

(d) Imposition of a mileage-based user fee. The Agency shall design a process to collect a mileage-based user fee from the owner or lessee of a BEV registered in Vermont for each mileage reporting period within 60 days after the Vermont annual inspection or terminating event that closes the mileage reporting period.

Sec. 30. REPORTS

The Secretary of Transportation and the Commissioner of Motor Vehicles shall file a written report not later than January 31, 2024 with the House and Senate Committees on Transportation, the House Committee on Ways and Means, and the Senate Committee on Finance that provides the following:

(1) a comprehensive implementation plan to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont;

(2) a recommendation on what language should be codified in statute to enable the State to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont, which shall include a recommendation for the mileage-based user fee rate and that includes, for that recommendation:

(A) an explanation for how the recommended mileage-based user fee rate was calculated;

(B) what the recommended mileage-based user fee rate is estimated to yield in revenue for the State in total per year; and

(C) how the anticipated mileage-based user fee for a pleasure car is expected to compare to the amount collected by the State in gas tax revenue

from the use of a non-PEV pleasure car registered in Vermont and the amount collected by the State in gas tax revenue and increased registration fee from the use of a PHEV pleasure car registered in Vermont based on estimates of low, medium, and high annual vehicle miles traveled;

(3) a recommendation on what should be required in annual reporting on the mileage-based user fee starting in 2026 for fiscal year 2025, which shall, at a minimum, address whether the following should be reported on:

(A) the total amount of revenue collected in mileage-based user fees for the prior fiscal year and an estimate of the total amount of revenue anticipated to be collected in mileage-based user fees during the subsequent fiscal year;

(B) the average mileage-based user fee collected for a BEV with low, medium, and high annual vehicle miles traveled in the prior fiscal year;

(C) an estimate of the average amount in motor fuel revenue that was collected for a pleasure car that is not a PEV with low, medium, and high annual vehicle miles traveled in the prior fiscal year;

(D) an estimate of the average amount in motor fuel revenue and increased registration fee that was collected for a pleasure car that is a PHEV with low, medium, and high annual vehicle miles traveled in the prior fiscal year;

(E) the total number of delinquent mileage-based user fees in the prior fiscal year;

(F) the total number of outstanding payment plans for delinquent mileage-based user fees; and

(G) the cost to collect the mileage-based user fees in the prior fiscal year;

(4) an outline of what the Agency intends to adopt, if authorized, as rule in order to commence collecting, on July 1, 2025, a mileage-based user fee for miles driven by a BEV registered in Vermont, which shall, at a minimum, establish:

(A) a process to calculate and report the annual vehicle miles traveled by a BEV registered in Vermont;

(B) payment periods and other payment methods and procedures for the payment of the mileage-based user fee, which shall include the option to prepay the anticipated mileage-based user fee in installments on a monthly, quarterly, or annual basis;

(C) standards for mileage reporting mechanisms for an owner or lessee of a BEV to report vehicle miles traveled throughout the year;

(D) procedures to provide security and protection of personal information and data connected to a mileage-based user fee;

(E) penalty and appeal procedures necessary for the collection of a mileage-based user fee, which, to the extent practicable, shall duplicate and build upon existing Department of Motor Vehicles processes; and

(F) Agency oversight of any account manager, including privacy protection of personal information and access and auditing capability of financial and other records related to administration of the process to collect a mileage-based user fee; and

(5) an update on what other states and the federal government are doing to address lost gas tax revenue from the adoption of PEVs along with any applicable suggestions for opportunities for regional collaboration and an explanation of the source of the information provided under this subdivision.

* * * Transportation Programs; Federal Carbon Reduction Program; PROTECT Formula Program; Prioritization; Equity * * *

Sec. 31. AGENCY OF TRANSPORTATION EFFORTS TO IMPLEMENT THE FEDERAL CARBON REDUCTION PROGRAM AND PROTECT FORMULA PROGRAM; PRIORITIZATION; EQUITY

(a) The Agency of Transportation, through its development of the State's Carbon Reduction Strategy, shall:

(1) develop a methodology to:

(A) quantify the emissions reductions the Agency will achieve from the State's Transportation Program;

(B) measure the gap between the emissions reductions calculated under subdivision (A) of this subdivision (a)(1) and the emissions reductions required under the Global Warming Solutions Act, as codified in 10 V.S.A. § 578; and

(C) evaluate what additional emissions reductions are possible through the implementation of additional policies and programs within the State's Transportation Program;

(2) articulate the ongoing investments, particularly under the Carbon Reduction Program, established through the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (IIJA) and codified as 23 U.S.C. § 175, that the Agency intends to implement through the State's annual Transportation Program in order to reduce emissions from activities within the control of the

Agency;

(3) identify and evaluate the effectiveness of other policies and programs to reduce transportation sector greenhouse gas emissions as required by the Global Warming Solutions Act, as codified in 10 V.S.A. § 578, and as identified in the Vermont Climate Action Plan, as amended, which shall include:

(A) an analysis of the potential to generate revenue sources sufficient for ongoing greenhouse gas emissions reduction implementation; and

(B) recommendations regarding additional policy or revenue sources to close any implementation gaps identified in subdivision (a)(1)(B) of this section;

(4) engage in public outreach through the following:

(A) establishing an advisory committee with a broad group of stakeholders, including representatives of the Vermont Climate Council, to help guide the identification and evaluation of policies and programs to reduce transportation sector greenhouse gas emissions;

(B) working with stakeholders, including environmental groups; community-based organizations that represent equity and environmental justice interests; business community groups, including chambers of commerce; transportation industry associations, including those representing rail and trucking; municipalities; regional planning commissions; and elected officials on ways to reduce transportation sector greenhouse gas emissions; and

(C) hosting not less than two public meetings, with at least one to gather input on proposed policies and programs to reduce transportation sector greenhouse gas emissions and at least one to address the evaluation of the anticipated outcomes of the draft of the State's Carbon Reduction Strategy; and

(5) coordinate with the Climate Action Office within the Agency of Natural Resources to track and report progress towards achieving the State's greenhouse gas emissions as required by the Global Warming Solutions Act and codified in 10 V.S.A. § 578.

(b) The Agency shall develop the State's Resilience Improvement Plan to establish how it will use federal monies available under the Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation (PROTECT) Formula Program, established through the IIJA and codified as 23 U.S.C. § 176, and existing tools and processes to address transportation resilience, specifically for:

(1) resilience planning, predesign, design, or the development of data tools to simulate transportation disruption scenarios, including vulnerability assessments, community response strategies, or evacuation planning and preparation;

(2) resilience projects to improve the ability of an existing surface transportation asset to withstand one or more elements of a weather event or natural disaster; and

(3) community resilience and evacuation route activities that strengthen and protect routes that are essential for providing and supporting evacuations caused by emergency events.

(c) The Agency shall develop recommendations for the integration of carbon reduction, resilience, and equity factors into its project prioritization system through the Agency's existing prioritization process and the development of the Equity Framework Project.

Sec. 32. REPORT ON TRANSPORTATION POLICY STATUTES

The Agency of Transportation shall provide a written report summarizing the work completed pursuant to Sec. 31 of this act and written recommendations on how to amend statute, including 19 V.S.A. §§ 10b and 10i, to reflect the work completed pursuant to Sec. 31 of this act to the House and Senate Committees on Transportation on or before November 15, 2023.

* * * Complete Streets * * *

Sec. 33. 19 V.S.A. § 10b is amended to read:

§ 10b. STATEMENT OF POLICY; GENERAL

(a) The Agency shall be the responsible agency of the State for the development of transportation policy. It shall develop a mission statement to reflect:

(1) that State transportation policy shall be to encompass, coordinate, and integrate all modes of transportation and to consider ~~"~~complete streets~~"~~, as defined in section 2401 of this title, principles~~, which are principles of safety and accommodation of all transportation system users, regardless of age, ability, or modal preference~~; and

(2) the need for transportation projects that will improve the State's economic infrastructure, as well as the use of resources in efficient, coordinated, integrated, cost-effective, and environmentally sound ways, and that will be consistent with the recommendations of the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b.

(b) The Agency shall coordinate planning ~~and,~~ education, and training efforts with those of ~~the Vermont Climate Change Oversight Committee and those of~~ local and regional planning entities to:

(1) ~~to~~ ensure that the transportation system as a whole is integrated~~,~~; that access to the transportation system as a whole is integrated~~,~~; and that statewide, local, and regional conservation and efficiency opportunities and practices are integrated; and

(2) ~~to~~ support employer-led or local or regional government-led conservation, efficiency, rideshare, and bicycle programs and other innovative transportation advances, especially employer-based incentives.

(c) In developing the State's annual Transportation Program, the Agency shall, consistent with the planning goals listed in 24 V.S.A. § 4302 ~~as amended by 1988 Acts and Resolves No. 200~~ and with appropriate consideration to local, regional, and State agency plans:

(1) ~~Develop~~ develop or incorporate designs that provide integrated, safe, and efficient transportation and that are consistent with the recommendations of the CEP~~.~~;

(2)~~(A) Consider the safety and accommodation of all transportation system users, including motorists, bicyclists, public transportation users, and pedestrians of all ages and abilities,~~ consider complete streets principles in all State- and municipally managed transportation projects and project phases, including planning, development, construction, and maintenance, except in the case of projects or project components involving unpaved highways~~. If, after the consideration required under this subdivision, a State-managed project does not incorporate complete streets principles, the project manager shall make a written determination, supported by documentation and available for public inspection at the Agency, that one or more of the following circumstances exist:~~

~~(i) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.~~

~~(ii) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors.~~

~~(iii) Incorporating complete streets principles is outside the scope of a project because of its very nature.~~

~~(B) The written determination required under subdivision (A) of this subdivision (2) shall be final and shall not be subject to appeal or further review.~~.;

(3) ~~Promote~~ promote economic opportunities for Vermonters and the best use of the State's environmental and historic resources~~.~~.; and

(4) ~~Manage~~ manage available funding to:

* * *

Sec. 34. REPEAL

19 V.S.A. § 309d (policy for municipally managed transportation projects) is repealed.

Sec. 35. 19 V.S.A. chapter 24 is added to read:

CHAPTER 24. COMPLETE STREETS

§ 2401. DEFINITION

As used in this chapter, "complete streets" means streets that provide safe and accessible options for multiple travel modes for individuals of all ages and abilities, including walking, cycling, public transportation, and motor vehicles.

§ 2402. STATE POLICY

(a) Agency of Transportation funded, designed, or funded and designed projects shall seek to increase and encourage more pedestrian, bicycle, and public transit trips, with the State goal to promote intermodal access to the maximum extent feasible, which will help the State meet the transportation-related recommendations outlined in the Comprehensive Energy Plan (CEP) issued under 30 V.S.A. § 202b and the recommendations of the Vermont Climate Action Plan (CAP) issued under 10 V.S.A. § 592.

(b) Except in the case of projects or project components involving unpaved highways, for all transportation projects and project phases managed by the Agency or a municipality, including planning, development, construction, or maintenance, it is the policy of this State for the Agency and municipalities, as applicable, to incorporate complete streets principles that:

(1) serve individuals of all ages and abilities, including vulnerable users as defined in 23 V.S.A. § 4(81);

(2) follow state-of-the-practice design guidance; and

(3) are sensitive to the surrounding community, including current and planned buildings, parks, and trails and current and expected transportation needs.

§ 2403. PROJECTS NOT INCORPORATING COMPLETE STREETS PRINCIPLES

(a) State projects. A State-managed project shall incorporate complete streets principles unless the project manager makes a written determination, supported by documentation, that one or more of the following circumstances exist:

(1) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.

(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors including land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The Agency shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the project manager bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable.

(3) Incorporating complete streets principles is outside the limited scope of a project as defined in the latest version of the Agency's Complete Streets Guidance.

(b) Municipal projects. A municipally managed project shall incorporate complete streets principles unless the municipality managing the project makes a written determination, supported by documentation, that one or more of the following circumstances exist:

(1) Use of the transportation facility by pedestrians, bicyclists, or other users is prohibited by law.

(2) The cost of incorporating complete streets principles is disproportionate to the need or probable use as determined by factors such as land use, current and projected user volumes, population density, crash data, historic and natural resource constraints, and maintenance requirements. The municipality shall consult local and regional plans, as appropriate, in assessing these and any other relevant factors. If the municipality managing the project bases the written determination required under this subsection in whole or in part on this subdivision then the project manager shall provide a supplemental written determination with specific details on costs, needs, and probable uses, as applicable.

(3) Incorporating complete streets principles is outside the limited scope of a project as defined in the latest version of the Agency's Complete Streets Guidance.

(c) Finality of determinations. The written determinations required by subsections (a) and (b) of this section shall be final and shall not be subject to appeal or further review.

(d) Posting and availability of determinations. The written determinations required by subsections (a) and (b) of this section shall be posted to a web page on the Agency of Transportation's website dedicated to complete streets, in the case of a State-managed project, and made available for public inspection at the office of the municipal clerk, in the case of a municipally managed project.

§ 2404. ANNUAL REPORT; PUBLIC DATA SOURCE

(a) Annual report. Notwithstanding 2 V.S.A. § 20(d), the Agency shall annually, on or before September 1 starting in 2025, submit a report detailing the State's efforts in following the complete streets policy established in section 2402 of this chapter during the previous fiscal year to the House and Senate Committees on Transportation.

(b) Public data source.

(1) The Agency of Transportation shall maintain a web-accessible and web-searchable data source dedicated to complete streets on the Agency's website that shall contain information on all State-managed transportation projects that have been bid since January 1, 2023, including a description of the project, the location of the project, which complete streets principles were incorporated in the project, as applicable, and an explanation as to which circumstance or circumstances contained in subsection 2403(a) of this chapter existed in the case of projects not incorporating complete streets principles.

(2) The web-accessible and web-searchable data source required under this subsection shall be updated on at least an annual basis.

Sec. 36. IMPLEMENTATION; PUBLIC DATA SOURCE

The Agency shall create and make accessible to the general public the web-accessible and web-searchable data source required under 19 V.S.A. § 2404(b), as added by Sec. 35 of this act, on or before January 1, 2024.

Sec. 37. MUNICIPAL TRAINING ON COMPLETE STREETS

The Agency of Transportation, in consultation with the Vermont League of Cities and Towns and regional planning commissions, shall design and implement a program to provide training on complete streets to municipalities.

Sec. 38. REPLACEMENT OF THE CURRENT VERMONT STATE STANDARDS

(a) The Agency of Transportation will be preparing replacements to the current Vermont State Standards and related documents, standards, guidance, and procedures in accordance with the plan required pursuant to 2022 Acts and Resolves No. 184, Sec. 19.

(b) The Agency shall provide an oral update on the process to replace the current Vermont State Standards and related documents, standards, guidance, and procedures to the House and Senate Committees on Transportation on or before February 15, 2024.

* * * Municipal and Regional Support for a Route 5 Bicycle Corridor * * *

Sec. 39. SUPPORT FOR A ROUTE 5 BICYCLE CORRIDOR; SURVEY REPORT

(a) The Agency of Transportation, in partnership with regional planning commissions through the annual Transportation Planning Initiative, shall conduct a survey of municipal support for the creation of a bicycle corridor—consisting of one or more segments of bicycle lanes or bicycle paths, or both—to provide a safe means of travel via bicycle on or along a route that is roughly adjacent to U.S. Route 5 for the approximately 190 miles spanning between the State border with Massachusetts and the State border with Quebec, Canada.

(b) The survey shall address the level of interest of municipalities and regional planning commissions in prioritizing the creation of a bicycle corridor along some or all of U.S. Route 5, including the consideration of the costs of creation and benefits to the tourism industry in Vermont in general and to the municipalities along U.S. Route 5 in particular.

(c) The Agency shall provide a report on outcome of the survey to the House and Senate Committees on Transportation on or before January 15, 2024.

* * * Micromobility Safety Education Program; Report * * *

Sec. 40. MICROMOBILITY SAFETY EDUCATION PROGRAM; REPORT

(a) The Agency, in consultation with stakeholders identified by the Agency, shall develop a comprehensive micromobility safety education program that enhances and expands on current efforts to increase safety for individuals who use roads, sidewalks, corridors, and paths in Vermont, with an emphasis on bicycle safety.

(b) The Agency shall provide an oral report on micromobility safety program design, recommended modifications to current efforts to increase micromobility safety throughout the State, and any recommendations for statutory changes, including how, if at all, the State's driving under the influence statutes should be amended to address utilizing micromobility while under the influence, needed to support expanded micromobility safety in the State to the House and Senate Committees on Transportation on or before January 31, 2024.

(c) As used in this section, "micromobility" includes the following, as defined in 23 V.S.A. § 4:

(1) bicycles;

(2) electric bicycles;

(3) electric personal assistive mobility devices,

(4) motor-driven cycles, which includes scooters; and

(5) motor-assisted bicycles.

* * * Sunset Extension * * *

Sec. 41. 2018 Acts and Resolves No. 158, Sec. 21 is amended to read:

Sec. 21. REPEAL OF TRANSPORTATION P3 AUTHORITY

19 V.S.A. ~~§§ 2613 (Agency of Transportation's P3 authority) and 2614 (legislative approval of P3 proposals)~~ chapter 26, subchapter 2 shall be repealed on July 1, ~~2023~~ 2026.

* * * Repeals * * *

Sec. 42. REPEALS

(a) 5 V.S.A. § 3616 (connection of passenger trains; Board may determine) is repealed.

(b) 19 V.S.A. § 314 (covered bridges restrictions; vote at town meeting) is repealed.

* * * Effective Dates * * *

Sec. 43. EFFECTIVE DATES

(a) This section and Secs. 22 (eBike Incentive Program), 23 (authority to modify eBike Incentive Program eligibility requirements and legislative intent), 24–26 (reallocation of funding for incentive programs), and 41 (extension of sunset for Agency of Transportation's P3 authority) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2023.

RICHARD T. MAZZA
THOMAS I. CHITTENDEN
RUSSELL H. INGALLS

Committee on the part of the Senate

SARA E COFFEY
TIMOTHY R. CORCORAN
MOLLIE SULLIVAN BURKE

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; Bills on Notice Calendar for Immediate Consideration

On motion of Senator Baruth, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

H. 270, S.95.

Proposal of Amendment; Third Reading Ordered

H. 270.

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

An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

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. § 843 is amended to read:

§ 843. CANNABIS CONTROL BOARD; DUTIES; MEMBERS

* * *

(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 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- and minority-owned business ownership, appointed by the Speaker of the House;~~

~~(F) 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 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;~~

~~(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 July 1, 2021.~~

~~(3) The Board may establish subcommittees within the advisory committee to accomplish its work.~~

~~(4) Members of the advisory committee 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 for not more than six meetings annually. These payments shall be made from the Cannabis Regulation Fund.~~ [Repealed.]

Sec. 2. REPEAL; SUNSET OF CANNABIS CONTROL BOARD

2020 Acts and Resolves No. 164, Sec. 6e is repealed.

Sec. 3. 7 V.S.A. § 845 is amended to read:

§ 845. CANNABIS REGULATION FUND

* * *

(c) Monies from the Fund shall only be appropriated for the purposes of implementation, administration, and enforcement of this chapter and ~~chapter 33~~ chapters 33, 35, and 37 of this title.

* * *

Sec. 4. 7 V.S.A. § 861 is amended to read:

§ 861. DEFINITIONS

As used in this chapter:

* * *

(2) "Advertisement" means any written or verbal statement, illustration, or depiction that ~~is calculated to induce~~ would reasonably have the effect of inducing 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.

* * *

(8) "Cannabis establishment" means a cannabis cultivator, propagation cultivator, wholesaler, product manufacturer, retailer, testing laboratory, or integrated licensee licensed by the Board to engage in commercial cannabis activity in accordance with this chapter.

* * *

(31) "Cannabis propagation cultivator" or "propagation cultivator" means a person licensed by the Board to cultivate cannabis clones, immature plants, and mature plants in accordance with this chapter.

Sec. 5. 7 V.S.A. § 863 is amended to read:

§ 863. REGULATION BY LOCAL GOVERNMENT

* * *

(b) A municipality that hosts any cannabis establishment may establish a cannabis control commission composed of commissioners who may be members of the municipal legislative body. The local cannabis control commission may issue and administer local control licenses under this subsection for cannabis establishments within the municipality but shall not assess a fee for a local control license issued to a cannabis establishment. The commissioners may condition the issuance of a local control license upon compliance with any bylaw adopted pursuant to 24 V.S.A. § 4414 or upon ordinances regulating signs or public nuisances adopted pursuant to 24 V.S.A. § 2291, except that ordinances may not regulate public nuisances as applied to outdoor cultivators that are regulated in the same manner as the Required Agricultural Practices under subdivision 869(f)(2) of this title. The commission may suspend or revoke a local control license for a violation of any condition placed upon the license. The Board shall adopt rules relating to a municipality's issuance of a local control license in accordance with this subsection and the local commissioners shall administer the rules furnished to them by the Board as necessary to carry out the purposes of this section.

(c) Prior to issuing a license to a cannabis establishment under this chapter, the Board shall ensure that the applicant has obtained a local control license from the municipality, if required, unless the Board finds that the municipality has exceeded its authority under this section.

(d) A municipality shall not:

(1) prohibit the operation of a cannabis establishment within the municipality through an ordinance adopted pursuant to 24 V.S.A. § 2291 or a bylaw adopted pursuant to 24 V.S.A. § 4414, or regulate a cannabis establishment in a manner that has the effect of prohibiting the operation of a cannabis establishment;

(2) condition the operation of a cannabis establishment, or the issuance or renewal of a municipal permit to operate a cannabis establishment, on any basis other than the conditions in subsection (b) of this section; ~~and~~ or

(3) exceed the authority granted to it by law to regulate a cannabis establishment.

Sec. 6. 7 V.S.A. § 869 is amended to read:

§ 869. CULTIVATION OF CANNABIS; ENVIRONMENTAL AND LAND USE STANDARDS; REGULATION OF ~~SMALL CULTIVATORS~~ CULTIVATION

(a) A cannabis establishment shall not be regulated as "farming" under the Required Agricultural Practices, 6 V.S.A. chapter 215, or other State law, and cannabis produced from cultivation shall not be considered an agricultural product, farm crop, or agricultural crop for the purposes of 32 V.S.A. chapter 124, 32 V.S.A. § 9741, or other relevant State law.

(b) The cultivation, processing, and manufacturing of cannabis regulated under this chapter shall comply with all applicable State, federal, and local environmental, energy, or public health law, unless otherwise provided under this chapter.

(c) A cannabis establishment regulated under this chapter shall be subject to regulation under 24 V.S.A. chapter 117 as authorized by this chapter, unless otherwise provided under this chapter.

(d)(1) The cultivation, processing, and manufacturing of cannabis by all cultivators regulated under this chapter shall comply with the following sections of the Required Agricultural Practices as administered and enforced by the Board:

(A) section 6, regarding conditions, restriction, and operating standards;

(B) section 8, regarding groundwater quality and groundwater quality investigations; and

(C) section 12, regarding subsurface tile drainage.

(2) Application of or compliance with the Required Agricultural Practices under subdivision (1) of this subsection shall not be construed to provide a presumption of compliance with or exemption to any applicable State, federal, and local environmental, energy, public health, or land use law required under subsections (b) and (c) of this section.

(e) Persons cultivating cannabis or handling pesticides for the purposes of the manufacture of cannabis products shall comply with the worker protection standard of 40 C.F.R. Part 170.

(f) Notwithstanding subsection (a) of this section, a ~~small~~ cultivator licensed under this chapter who initiates cultivation of cannabis outdoors on a parcel of land ~~that was subject to the Required Agricultural Practices prior to licensed cultivation of cannabis~~ shall:

(1) be regulated in the same manner as "farming" and not as "development" on the tract of land where cultivation occurs for the purposes of permitting under 10 V.S.A. chapter 151;

(2) not be regulated by a municipal bylaw adopted under 24 V.S.A. chapter 117 in the same manner that Required Agricultural Practices are not regulated by a municipal bylaw under 24 V.S.A. § 4413(d)(1)(A);

(3) be eligible to enroll in the Use Value Appraisal Program under 32 V.S.A. chapter 124 for the cultivation of cannabis~~, provided that the agricultural land or farm building on the parcel where cannabis cultivation occurs was enrolled in the Use Value Appraisal Program prior to commencement of licensed cannabis cultivation and the parcel continues to qualify for enrollment~~; ~~and~~

(4) be exempt under 32 V.S.A. § 9741(3), (25), and (50) from the tax on retail sales imposed under 32 V.S.A. § 9771; and

(5) be entitled to the rebuttable presumption that cultivation does not constitute a nuisance under 12 V.S.A. chapter 195 in the same manner as "agricultural activities" are entitled to the rebuttable presumption, provided that, notwithstanding 12 V.S.A. § 5753(a)(1)(A), the cultivation is complying with subsections (b) and (d) of this section.

Sec. 7. 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)~~(8) of this subsection.

* * *

(3) Rules concerning product manufacturers shall include:

(A) requirements that a single package of a cannabis product shall not contain more than ~~50~~ 100 milligrams of THC, except in the case of:

(i) cannabis products that are not consumable, including topical preparations;

(ii) solid concentrates, oils, and tinctures; and

(iii) cannabis products sold to a dispensary pursuant to 18 V.S.A. chapter 86 and rules adopted pursuant to that chapter;

* * *

(5) Rules concerning retailers shall include:

* * *

(E) ~~facility inspection~~ requirements and procedures for facility inspection to occur at least annually.

* * *

(8) Rules concerning propagators shall include:

(A) requirements for proper verification of age of customers;

(B) pesticides or classes of pesticides that may be used by propagators, provided that any rules adopted under this subdivision (8) shall comply with and shall be at least as stringent as the Agency of Agriculture, Food and Markets' Vermont Pesticide Control Regulations;

(C) standards for indoor cultivation of cannabis;

(D) procedures and standards for testing cannabis for contaminants, potency, and quality assurance and control;

(E) labeling requirements for cannabis sold to retailers and integrated licensees;

(F) regulation of visits to the establishments, including the number of visitors allowed at any one time and record keeping concerning visitors; and

(G) facility inspection requirements and procedures.

* * *

Sec. 8. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

* * *

(h)~~(1) The following records shall be exempt from public inspection and copying under the Public Records Act and shall be confidential:~~

~~(A) any record in an application for a license relating to security, public safety, transportation, or trade secrets, including information provided in an operating plan pursuant to subdivision 881(a)(1)(B) of this title; and~~

~~(B) any licensee record relating to security, public safety, transportation, trade secrets, or employees.~~

~~(2) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).~~ [Repealed.]

Sec. 9. 7 V.S.A. § 901a is added to read:

§ 901a. ACCESSIBILITY AND CONFIDENTIALITY OF LICENSING AND DISCIPLINARY MATTERS

(a) It is the purpose of this section to protect the reputation, security practices, and trade secrets of licensees from undue public disclosure while securing the public's right to know of government licensing actions relevant to the public health, safety, and welfare.

(b) All meetings and hearings of the Board shall be subject to the Vermont Open Meeting Law.

(c) The following shall be exempt from public inspection and copying under the Public Records Act and shall be kept confidential:

(1) records related to licensee security, safety, transportation, or trade secrets, including information provided in an operating plan pursuant to subdivision 881(a)(1)(B) of this title; and

(2) records related to complaints, investigations, or proceedings, except as provided in subsection (d) of this section.

(d)(1) If a complaint or investigation results in formal action to revoke, suspend, condition, reprimand, warn, fine, or otherwise to penalize a licensee based on noncompliance with law or regulation, the case record, as defined by 3 V.S.A. § 809(e), shall be available for public inspection and copying under Vermont's Public Records Act.

(2) The Board shall prepare and maintain an aggregated list of all closed investigations into misconduct or noncompliance from whatever source derived. The information contained in the list shall be available for public inspection and copying under Vermont's Public Records Act. The list shall contain the date, nature, and outcome of each complaint. The list shall not contain the identity of the subject licensee unless formal action resulted, as described in subdivision (1) of this subsection.

(e) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this section shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).

Sec. 10. 7 V.S.A. § 904 is amended to read:

§ 904. CULTIVATOR LICENSE

(a) A cultivator licensed under this chapter may:

(1) cultivate, process, package, label, transport, test, and sell cannabis to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary ~~and may;~~

(2) purchase and sell cannabis seeds and immature cannabis plants to another licensed cultivator and propagation cultivator; and

(3) possess and sell cannabis products to a licensed wholesaler, product manufacturer, retailer, integrated licensee, and dispensary.

* * *

Sec. 11. 7 V.S.A. § 904b is added to read:

§ 904b. PROPAGATION CULTIVATOR LICENSE

(a) A propagation cultivator licensed under this section may:

(1) cultivate not more than 3,500 square feet of cannabis clones, immature cannabis plants, or mature cannabis plants;

(2) test, transport, and sell cannabis clones and immature cannabis plants to licensed cultivators; and

(3) test, transport, and sell cannabis seeds that meet the federal definition of hemp to a licensed cultivator or retailer or to the public.

(b) A licensed propagation cultivator shall not cultivate mature cannabis plants for the purpose of producing, harvesting, transferring, or selling cannabis flower for or to any person.

Sec. 12. PROPAGATION CULTIVATOR LICENSE IMPLEMENTATION

The Cannabis Control Board shall begin issuing propagation cultivator licenses on or before July 1, 2024.

Sec. 13. 7 V.S.A. § 905 is amended to read:

§ 905. WHOLESALER LICENSE

A wholesaler licensed under this chapter may:

(1) purchase cannabis ~~from a licensed cultivator and integrated licensee,~~ and cannabis products from a licensed ~~product manufacturer, integrated licensee, and dispensary~~ cannabis establishment;

(2) transport, process, package, and sell cannabis and cannabis products to a licensed ~~product manufacturer, retailer, integrated licensee, and dispensary~~ cannabis establishment; and

(3) sell cannabis seeds or immature cannabis plants to a licensed cultivator.

Sec. 14. 7 V.S.A. § 906 is amended to read:

§ 906. PRODUCT MANUFACTURER LICENSE

A product manufacturer licensed under this chapter may:

(1) purchase cannabis ~~from a licensed cultivator, wholesalers, or integrated licensee,~~ and cannabis products from a licensed ~~wholesaler, product manufacturer, integrated licensee, and dispensary~~ cannabis establishment;

(2) use cannabis and cannabis products to produce cannabis products; and

(3) transport, process, package, and sell cannabis products to a licensed ~~wholesaler, product manufacturer, retailer, integrated licensee, and dispensary~~ cannabis establishment.

Sec. 15. 7 V.S.A. § 907 is amended to read:

§ 907. RETAILER LICENSE

(a) A retailer licensed under this chapter may:

(1) purchase cannabis ~~from a licensed cultivator, wholesaler, or integrated licensee,~~ and cannabis products from a licensed ~~wholesaler, product manufacturer, integrated licensee, and dispensary~~ cannabis establishment; and

(2) transport, possess, package, and sell cannabis and cannabis products to the public for consumption off the registered premises or for cultivation.

* * *

Sec. 16. 7 V.S.A. § 910 is amended to read:

§ 910. CANNABIS ESTABLISHMENT FEE SCHEDULE

The following fees shall apply to each person or product licensed by the Board:

* * *

(3) Manufacturers.

(A) Manufacturer tier 1. Manufacturers that process and manufacture cannabis in order to produce cannabis products without using solvent-based extraction and not more than ~~$10,000.00~~ $50,000.00 per year in cannabis products based on the manufacturer's total annual sales in cannabis products shall be assessed an annual licensing fee of $750.00.

* * *

(7) Propagation cultivators. Propagation cultivators shall be assessed an annual licensing fee of $500.00.

(8) Employees. Cannabis establishments licensed by the Board shall be assessed an annual licensing fee of $50.00 for each employee.

~~(8)~~(9) Products. Cannabis establishments licensed by the Board shall be assessed an annual product licensing fee of $50.00 for every type of cannabis and cannabis product that is sold in accordance with this chapter.

~~(9)~~(10) Local licensing fees. Cannabis establishments licensed by the Board shall be assessed an annual local licensing fee of $100.00 in addition to each fee assessed under subdivisions (1)–~~(6)~~(7) of this section. Local licensing fees shall be distributed to the municipality in which the cannabis establishment is located pursuant to section 846(c) of this title.

~~(10)~~(11) One-time fees.

(A) All applicants for a cannabis establishment license shall be assessed an initial one-time application fee of $1,000.00.

(B) An applicant may choose to be assessed an initial one-time intent-to-apply fee of $500.00. If the applicant subsequently seeks a license within one year after paying the intent-to-apply fee, the initial one-time application fee of $1,000.00 shall be reduced by $500.00.

Sec. 17. 7 V.S.A. chapter 35 is amended to read:

CHAPTER 35. MEDICAL CANNABIS REGISTRY

§ 951. DEFINITIONS

As used in this chapter:

* * *

(8) "Qualifying medical condition" means:

(A) cancer, multiple sclerosis, positive status for human immunodeficiency virus, acquired immune deficiency syndrome, glaucoma, Crohn's disease, Parkinson's disease, post-traumatic stress disorder, or the treatment of these conditions, if the disease or the treatment results in severe,

persistent, and intractable symptoms; or

(B) ~~post-traumatic stress disorder, provided the Department confirms the applicant is undergoing psychotherapy or counseling with a licensed mental health care provider; or~~

~~(C)~~ a disease or medical condition or its treatment that is chronic, debilitating, and produces one or more of the following intractable symptoms: cachexia or wasting syndrome, chronic pain, severe nausea, or seizures.

* * *

§ 952. REGISTRY

* * *

(b) A person who is a registered patient or a registered caregiver on behalf of a patient may:

(1) Cultivate not more than ~~two~~ six mature and ~~seven~~ 12 immature cannabis plants. Any cannabis harvested from the plants shall not count toward the two-ounce possession limit in subdivision (2) of this subsection, provided it is stored in an indoor facility on the property where the cannabis was cultivated and reasonable precautions are taken to prevent unauthorized access to the cannabis.

(2) Possess not more than two ounces of cannabis.

(3) Purchase cannabis and cannabis products at a licensed medical cannabis dispensary. Pursuant to chapter 37 of this title, a dispensary may offer goods and services that are not permitted at a cannabis establishment licensed pursuant to chapter 33 of this title.

* * *

§ 954. CAREGIVERS

(a) Pursuant to rules adopted by the Board, a person may register with the Board as a caregiver of a registered patient to obtain the benefits of the Registry as provided in section 952 of this title.

(b)~~(1)~~ The Board shall ~~adopt rules that set forth standards for determining whether an applicant should be denied a caregiver card because of his or her criminal history record. An applicant shall not be denied solely on the basis of a criminal conviction that is not listed in 13 V.S.A. chapter 25 or 28~~ conduct a name and date of birth Vermont criminal conviction record background check and obtain information from the Child Protection Registry maintained by the Department for Children and Families and from the Vulnerable Adult Abuse, Neglect, and Exploitation Registry maintained by the Department of

Disabilities, Aging, and Independent Living (collectively, the Registries) for any person who applies to be a caregiver.

~~(2) The Board shall obtain from the Vermont Crime Information Center a copy of the caregiver applicant's fingerprint-based Vermont criminal history records, out-of-state criminal history records, and criminal history records from the Federal Bureau of Investigation.~~

(c) The Board shall adopt rules that set forth standards for determining whether an applicant should be denied a ~~cannabis establishment license~~ caregiver card because of ~~his or her criminal history record~~ the applicant's criminal history record or status on either Registry.

(d)(1) Except as provided in subdivision (2) of this subsection, a caregiver ~~shall serve only one patient~~ may serve not more than two patients at a time, and a patient shall have only one registered caregiver at a time. A patient may serve as a caregiver for one other patient.

(2) A patient who is under 18 years of age may have two caregivers. Additional caregivers shall be at the discretion of the Board.

(e) Medicaid funds shall not be used to support a caregiver in the cultivation or distribution of cannabis on behalf of a patient.

§ 955. REGISTRATION; FEES

(a) A registration card shall expire one year after the date of issuance for patients with a qualifying medical condition of chronic pain and the caregivers who serve those patients. For all other patients and the caregivers who serve those patients, a registration card shall expire three years after the date of issuance. A patient or caregiver may renew the card according to protocols adopted by the Board.

(b) The Board shall charge and collect a $50.00 ~~annual~~ registration and renewal fee for patients and caregivers. Fees shall be deposited in the Cannabis Regulation Fund as provided in section 845 of this title.

§ 956. RULEMAKING

The Board shall adopt rules for the administration of this chapter. ~~No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.~~

Sec. 18. 33 V.S.A. § 4919 is amended to read:

§ 4919. DISCLOSURE OF REGISTRY RECORDS

(a) The Commissioner may disclose a Registry record only as follows:

* * *

(11) To the Cannabis Control Board, in accordance with the provisions of 7 V.S.A. § 954.

* * *

Sec. 19. 33 V.S.A. § 6911 is amended to read:

§ 6911. RECORDS OF ABUSE, NEGLECT, AND EXPLOITATION

* * *

(c) The Commissioner or designee may disclose Registry information only to:

* * *

(12) The Cannabis Control Board for the purpose of evaluating an individual's suitability to be a registered caregiver under 7 V.S.A. § 954.

* * *

Sec. 20. 7 V.S.A. § 974 is amended to read:

§ 974. RULEMAKING

(a)(1) The Board shall adopt rules to implement and administer this chapter. In adoption of rules, the Board shall strive for consistency with rules adopted for cannabis establishments pursuant to chapter 33 of this title where appropriate. ~~No rule shall be more restrictive than any rule adopted by the Department of Public Safety pursuant to 18 V.S.A. chapter 86.~~

* * *

Sec. 21. CANNABIS CONTROL BOARD REPORTING; MEDICAL CANNABIS REGISTRY

(a) The Cannabis Control Board shall work with the Vermont Academic Detailing Program, Registry patients and caregivers, licensed medical cannabis dispensaries, and medical professional stakeholders to review the Medical Cannabis Registry. The review shall include:

(1) an assessment of the illnesses or symptoms most appropriately treated by cannabis;

(2) the strains of cannabis recommended for such treatment;

(3) the doses of active chemicals recommended for treatment;

(4) appropriate treatment protocols for patients, including whether ongoing medical oversight such as counseling or other services is needed for each condition being treated;

(5) how the use of cannabis is communicated to patients and patients' providers; and

(6) any other issues that will improve the Registry.

(b) The Board shall convene the working group not less than four times to complete its work.

(c) The Board shall provide recommendations for improvement to the Medical Cannabis Registry to the Senate Committee on Health and Welfare and the House Committees on Human Services and on Health Care on or before January 15, 2024.

Sec. 22. 7 V.S.A. § 1001(8) is amended to read:

(8) "Tobacco substitute" means products, including electronic cigarettes or other electronic or battery-powered devices, that contain or are designed to deliver nicotine or other substances into the body through the inhalation of vapor and that have not been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes. ~~Products~~ Cannabis products as defined in section 831 of this title or products that have been approved by the U.S. Food and Drug Administration for tobacco cessation or other medical purposes shall not be considered to be tobacco substitutes.

Sec. 23. 32 V.S.A. § 7702(15) is amended to read:

(15) "Other tobacco products" means any product manufactured from, derived from, or containing tobacco that is intended for human consumption by smoking, chewing, or in any other manner, including products sold as a tobacco substitute, as defined in 7 V.S.A. § 1001(8), and including any liquids, whether nicotine based or not, or delivery devices sold separately for use with a tobacco substitute, but shall not include cigarettes, little cigars, roll-your-own tobacco, snuff, ~~or~~ new smokeless tobacco as defined in this section, or cannabis products as defined in 7 V.S.A. § 831.

Sec. 24. TRANSFER AND APPROPRIATION

Notwithstanding 7 V.S.A. § 845(c), in fiscal year 2024:

(1) $500,000.00 is transferred from the Cannabis Regulation Fund established pursuant to 7 V.S.A. § 845 to the Cannabis Business Development Fund established pursuant to 7 V.S.A. § 987; and

(2) $500,000.00 is appropriated from the Cannabis Business Development Fund to the Agency of Commerce and Community Development to fund technical assistance and provide loans and grants pursuant to 7 V.S.A. § 987.

Sec. 25. EFFECTIVE DATE

This act shall take effect on passage.

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

Senator Chittenden, 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 Economic Development, Housing and General Affairs with the following amendments thereto:

By inserting two new sections to be numbered Secs. 23a and 23b to read as follows:

Sec. 23a. 7 V.S.A. § 831(3) is amended to read:

(3) "Cannabis product" means concentrated cannabis and a product that is composed of cannabis and other ingredients and is intended for use or consumption, including an edible product, ointment, and tincture. Cannabis product shall include a vaporizer cartridge containing cannabis oil that is intended for use with a battery-powered device and any device designed to deliver cannabis into the body through inhalation of vapor that is sold at a cannabis establishment licensed pursuant to chapter 33 of this title. "Cannabis product" does not mean a "tobacco product" as defined in 32 V.S.A. § 7702, a "tobacco substitute" as defined in section 1001 of this title, or "tobacco paraphernalia" as defined in section 1001 of this title.

Sec. 23b. 7 V.S.A. § 1002 is amended to read:

§ 1002. LICENSE REQUIRED; APPLICATION; FEE; ISSUANCE

(a)(1) ~~No~~ Except as provided in subsection (h) of this section, no person shall engage in the retail sale of tobacco products, tobacco substitutes, or tobacco paraphernalia in ~~his or her~~ the person's place of business without a tobacco license obtained from the Division of Liquor Control.

* * *

(h) This section shall not apply to a cannabis establishment licensed pursuant to chapter 33 of this title to engage in the retail sale of cannabis products as defined in section 831 of this title, but not engaged in the sale of tobacco products or tobacco substitutes.

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 Economic Development, Housing, and General Affairs, as amended.

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 Economic Development, Housing and General Affairs was amended as recommended by the Committee on Finance.

Thereupon, the proposal of amendment recommended by the Committee on Economic Development, Housing and General Affairs, as amended, was agreed to and third reading of the bill was ordered.

House Proposal of Amendment Concurred In

S. 95.

House proposal of amendment to Senate bill entitled:

An act relating to banking and insurance.

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. 8 V.S.A. § 6011(b) is amended to read:

(b) Any captive insurance company may take credit for the reinsurance of risks or portions of risks ceded to reinsurers complying with the provisions of subsections 3634a(a) through ~~(f)~~(e) of this title. Prior approval of the Commissioner shall be required for ceding or taking credit for the reinsurance of risks or portions of risks ceded to reinsurers not complying with subsections 3634a(a) through ~~(f)~~(e) of this title, except for business written by an alien captive insurance company outside the United States.

Sec. 2. 8 V.S.A. § 4728(c)(7) is amended to read:

(7) "Licensee" means a person licensed, authorized to operate, or registered or required to be licensed, authorized, or registered pursuant to the insurance laws of this State, but shall not include:

(A) a captive insurance company;

(B) a purchasing group or risk retention group chartered; or

(C) a licensee domiciled in a jurisdiction other than this State ~~or a person~~ that is acting as an assuming insurer for a licensee domiciled in this State.

Sec. 3. 8 V.S.A. § 2103(b)(3)(A) is amended to read:

(A) return to the applicant ~~any amounts paid for the applicable bond requirement and~~ the bond, if any, and any amounts paid for the applicable license fee; and

Sec. 4. 8 V.S.A. § 2759a(b)(2)(A) is amended to read:

(A) The notice of cancellation shall contain the following information and statements, printed in not less than ~~ten point~~ ten-point boldface type:

NOTICE OF CANCELLATION

(enter date of transaction)

.....

(date)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any payments made by you under the contract will be returned within ~~ten~~ 10 business days following our receipt of your cancellation notice.

To cancel the debt adjustment contract, ~~mail or deliver~~ return a signed and dated copy of this cancellation notice or any other written notice ~~or send a telegram~~ using first-class mail or e-mail, to ..... at

(name of licensee)

.....

(address of licensee's place of business)

(e-mail address of licensee)

not later than midnight of .....

(date)

I hereby cancel this transaction.

.....

(date)

.....

(debtor's signature)

Sec. 5. 9 V.S.A. § 43 is amended to read:

§ 43. DEPOSIT REQUIREMENT PROHIBITED; EXCEPTION

A lender shall not, as a condition to granting or extending a loan, require a borrower to keep or place any sum on deposit with the lender or nominee of the lender, except for deposit arrangements directly related to secured credit cards in a manner consistent with rules adopted by the Commissioner, rules that shall include disclosure requirements, and specific types of alternative mortgages approved by the Commissioner as provided in 8 V.S.A. § 1256. Any deposit arrangement permitted under this section shall not result in an effective interest rate that exceeds legal rates established in 9 V.S.A. § 41a.

Sec. 6. 8 V.S.A. § 4688(e) is amended to read:

(e) Filings open to inspection. All rates, supplementary rate information, and any nonproprietary supporting information for risks filed under this chapter shall, as soon as filed or after approval for those matters subject to prefiling, be open to public inspection at any reasonable time. Copies may be obtained by any person on request and upon payment of a reasonable charge in the manner and amount prescribed by the Commissioner.

Sec. 7. 8 V.S.A. § 8084a is amended to read:

§ 8084a. REQUIRED DISCLOSURE OF RATING PRACTICES TO CONSUMERS

(a) Other than policies for which no applicable premium rate or rate schedule increases can be made, insurers shall provide all of the information listed in this subsection to the applicant at the time of application or enrollment, unless the method of application does not allow for delivery at that time. In such a case, an insurer shall provide all of the information listed in this subsection to the applicant not later than at the time of delivery of the policy or certificate:

(1) ~~a~~ A statement that the policy may be subject to rate increases in the future~~;~~.

(2) ~~an~~ An explanation of potential future premium rate or rate schedule revisions and the policyholder's or certificate holder's option in the event of a ~~premium rate~~ revision~~;~~.

(3) ~~the~~ The premium rate or rate schedules applicable to the applicant that will be in effect until a request is made for an increase~~;~~.

(4) ~~a~~ A general explanation for applying premium rate or rate schedule adjustments that shall include:

(A) a description of when premium rate or rate schedule adjustments will be effective; and

(B) the right to a revised premium rate or rate schedule as provided in subdivision (2) of this subsection (a) if the premium rate or rate schedule is changed~~; and~~.

(5) ~~information~~ Information regarding each premium rate or rate schedule increase on this policy form or similar policy forms over the past 10 years for this State or any other state that, at a minimum, identifies:

(A) ~~the~~ The policy forms for which premium rates or rate schedules have been increased~~;~~.

(B) ~~the~~ The calendar years during which the form was available for purchase~~; and~~.

(C) ~~the~~ The amount or percent of each increase. The percentage may be expressed as a percentage of the premium rate prior to the increase and may also be expressed as minimum and maximum percentages if the rate increase is variable by rating characteristics.

* * *

(c) The insurer ~~may~~ shall, in a form and in a fair manner approved by the Commissioner, provide explanatory information related to ~~the~~ premium rate and rate schedule increases covered by this section.

(d) An applicant shall, at the time of application, unless the method of application does not allow for acknowledgment at that time, in such a case, not later than at the time of delivery of the policy or certificate, sign an acknowledgment that the insurer made the ~~disclosure~~ disclosures required under subdivisions (a)(1) and (5) of this section.

(e) An insurer shall provide notice of an upcoming premium rate or rate schedule increase to all policyholders or certificate holders, if applicable, at least ~~45~~ 90 days prior to the implementation of the premium rate or rate schedule increase by the insurer. The notice shall include the information required by subsection (a) of this section when the rate increase is implemented, as well as the explanatory information required by subsection (c) of this section that is specific to the upcoming premium rate or rate schedule increase.

Sec. 7a. 8 V.S.A. § 23(a) is amended to read:

(a) This section shall apply to all persons licensed, authorized, or registered, or required to be licensed, authorized, or registered, under this title or under 9 V.S.A. chapter 150.

Sec. 8. REPEAL

8 V.S.A. chapter 112, subchapter 1 (Life and Health Insurance Companies) and subchapter 2 (Health Maintenance Organization Guaranty Association) are repealed.

Sec. 9. 8 V.S.A. chapter 112, §§ 4171–4190 are added to read:

§ 4171. SHORT TITLE

This chapter shall be known and may be cited as the Vermont Life and Health Insurance Guaranty Association Act.

§ 4172. PURPOSE

The purpose of this chapter is to protect, subject to certain limitations, the persons specified in subsection 4173(a) of this chapter, against failure in the performance of contractual obligations under life, health, and annuity policies, plans, and contracts specified in subsection 4173(b) of this chapter, due to the impairment or insolvency of the member insurer that issued such policies, plans, or contracts. To provide this protection:

(1) an association of member insurers is created to enable the guaranty of payment of benefits and of continuation of coverages;

(2) members of the Association are subject to assessment to provide funds to carry out the purpose of this chapter; and

(3) the Association is authorized to assist the Commissioner, in the prescribed manner, in the detection and prevention of insurer impairment or insolvency.

§ 4173. SCOPE

(a) This chapter shall provide coverage for a policy or contract specified in subsection (b) of this section to a person who:

(1) regardless of where the person resides, except for nonresident certificate holders under group policies or contracts, is the beneficiary, assignee, or payee, including a health care provider who renders services covered under a health insurance policy or certificate, of a person covered under subdivision (2) of this subsection; or

(2) is an owner of or certificate holder or enrollee under such policy or contract, other than an unallocated annuity contract or structured settlement annuity, and in each case who:

(A) is a Vermont resident; or

(B) is not a Vermont resident, provided all of the following conditions are met:

(i) the member insurer that issued the policy or contract is domiciled in Vermont;

(ii) the state in which the person resides has an association similar to the Association created by this chapter; and

(iii) the person is not eligible for coverage by an association in any other state due to the fact that the insurer or the health maintenance organization was not licensed in that state at the time specified in that state's guaranty association law.

(3) For an unallocated annuity contract specified in subsection (b) of this section, subdivisions (1) and (2) of this subsection shall not apply and this chapter shall, except as provided in subdivisions (5) and (6) of this subsection, provide coverage to a person who is the owner of an unallocated annuity contract if the contract is issued to or in connection with:

(A) a specific benefit plan whose plan sponsor has its principal place of business in Vermont; or

(B) a government lottery, if the owner is a resident of Vermont.

(4) For a structured settlement annuity specified in subsection (b) of this section, subdivisions (1) and (2) of this subsection shall not apply, and this chapter shall, except as provided in subdivisions (5) and (6) of this subsection, provide coverage to a person who is a payee under a structured settlement annuity, or a beneficiary of such deceased payee, provided that the payee:

(A) is a Vermont resident, regardless of where the contract owner resides; or

(B) is not a Vermont resident, provided that both of the following conditions are met:

(i)(I) the contract owner of the structured settlement annuity is a Vermont resident; or

(II) the contract owner of the structured settlement annuity is not a Vermont resident, provided:

(aa) the insurer that issued the structured settlement annuity is domiciled in Vermont; and

(bb) the state in which the contract owner resides has an association similar to the Association created by this chapter; and

(ii) neither the payee, beneficiary, nor the contract owner is eligible for coverage by the association of the state in which the payee, beneficiary, or contract owner resides.

(5) This chapter shall not provide coverage to a person who:

(A) is a payee or beneficiary of a contract owner who is a Vermont resident, if the payee or beneficiary is afforded any coverage by the association of another state;

(B) is covered under subdivision (3) of this subsection, if any coverage is provided by the association of another state to the person; or

(C) acquires rights to receive payments through a structured settlement factoring transaction as defined in 26 U.S.C. § 5891(c)(3)(A), regardless of whether the transaction occurred before or after such section became effective.

(6) This chapter is intended to provide coverage to a person who is a Vermont resident and, in special circumstances, to a nonresident. In order to avoid duplicate coverage, if a person who would otherwise receive coverage under this chapter is provided coverage under the laws of any other state, the person shall not be provided coverage under this chapter. In determining the application of the provisions of this subdivision in situations where a person could be covered by the association of more than one state, whether as an owner, payee, enrollee, beneficiary, or assignee, this chapter shall be construed in conjunction with other state laws to result in coverage by only one association.

(b)(1) This chapter shall provide coverage to a person specified in subsection (a) of this section for a policy or contract of direct, nongroup life insurance, health insurance, which for purposes of this chapter includes health maintenance organization subscriber contracts and certificates, an annuity, or a certificate under a direct group policy or contract, and supplemental policies or contracts to any of these, and for an unallocated annuity contract, in each case, issued by a member insurer, except as limited by this chapter. An annuity contract or certificate under a group annuity contract includes a guaranteed investment contract, guaranteed interest contract, guaranteed accumulation contract, deposit administration contract, unallocated funding agreement, allocated funding agreement, structured settlement annuity, annuity issued to or in connection with a government lottery, and any immediate or deferred annuity contract.

(2) Except as otherwise provided in subdivision (3) of this subsection, this chapter shall not provide coverage for:

(A) a portion of a policy or contract not guaranteed by the member insurer or under which the risk is borne by the policy or contract holder;

(B) a policy or contract of reinsurance, unless assumption certificates have been issued pursuant to the reinsurance policy or contract;

(C) a portion of a policy or contract to the extent that the rate of interest on which it is based, or the interest rate, crediting rate, or similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value:

(i) averaged over the period of four years prior to the date on which the member insurer becomes an impaired or insolvent insurer under this chapter, whichever is earlier, exceeds a rate of interest determined by subtracting two percentage points from Moody's Corporate Bond Yield Average averaged for that same four-year period or for such lesser period if the policy or contract was issued less than four years before the member insurer becomes an impaired or insolvent insurer under this chapter, whichever is earlier; and

(ii) on and after the date on which the member insurer becomes an impaired or insolvent insurer under this chapter, whichever is earlier, exceeds the rate of interest determined by subtracting three percentage points from Moody's Corporate Bond Yield Average as most recently available;

(D) a portion of a policy or contract issued to a plan or program of an employer, association, or similar entity to provide life, health, or annuity benefits to its employees or members to the extent that such plan or program is self-funded or uninsured, including benefits payable by an employer, association, or similar entity under:

(i) a Multiple Employer Welfare Arrangement as defined in section 514 of the Employee Retirement Income Security Act of 1974, Pub. L. No. 93-406, as amended;

(ii) a minimum premium group insurance plan;

(iii) a stop-loss group insurance plan; or

(iv) an administrative services only contract;

(E) a portion of a policy or contract to the extent that it provides dividends or experience rating credits, voting rights, or provides that any fees or allowances be paid to any person, including the policy or contract holder, in connection with the service to or administration of such policy or contract;

(F) a policy or contract issued in Vermont by a member insurer at a time when it was not licensed or did not have a certificate of authority to issue such policy or contract in Vermont;

(G) an unallocated annuity contract issued to or in connection with a benefit plan protected under the federal Pension Benefit Guaranty Corporation, regardless of whether the federal Pension Benefit Guaranty Corporation has yet become liable to make any payments with respect to the benefit plan;

(H) a portion of any unallocated annuity contract that is not issued to or in connection with a specific employee, union, or association of natural persons benefit plan, or a government lottery;

(I) a portion of a policy or contract to the extent that the assessments required by section 4179 of this chapter with respect to the policy or contract are preempted by federal or State law;

(J) an obligation that does not arise under the express written terms of the policy or contract issued by the member insurer to the enrollee, certificate holder, contract owner, or policy owner, including:

(i) a claim based on marketing materials;

(ii) a claim based on a side letter, rider, or other document issued by the member insurer without meeting applicable policy or contract form-filing or approval requirements;

(iii) a misrepresentation of or regarding the benefits of a policy or contract;

(iv) an extra-contractual claim; or

(v) a claim for penalties or consequential or incidental damages;

(K) a contractual agreement that establishes the member insurer's obligations to provide a book value accounting guaranty for defined contribution benefit plan participants by reference to a portfolio of assets that is owned by the benefit plan or its trustee, that in each case is not an affiliate of a member insurer;

(L) any portion of a policy or contract to the extent it provides for interest or other changes in value to be determined by the use of an index or other external reference stated in the policy or contract, but that has not been credited to the policy or contract, or as to which the policy or contract owner's rights are subject to forfeiture, as of the date the member insurer becomes an impaired or insolvent insurer under this chapter, whichever is earlier. If a policy's or contract's interest or changes in value are credited less frequently

than annually, then for purposes of determining the values that have been credited and are not subject to forfeiture under this subdivision, the interest or change in value determined by using the procedures defined in the policy or contract will be credited as if the contractual date of crediting interest or changing values was the date of impairment or insolvency, whichever is earlier, and will not be subject to forfeiture;

(M) any policy or contract providing any hospital, medical, prescription drug, or other health care benefits pursuant to Medicare Part C, 42 U.S.C. §§ 1395w-21 to 1395w-29, or Medicare Part D, 42 U.S.C. §§ 1395w-101 to 1395w-154, or Subchapter XIX, Chapter 7 of Title 42 of the U.S.C., commonly known as Medicaid, or any regulations issued pursuant to those sections, or

(N) structured settlement annuity benefits to which a payee or beneficiary has transferred the payee's or beneficiary's rights in a structured settlement factoring transaction as defined in 26 U.S.C. § 5891(c)(3)(A), regardless of whether the transaction occurred before or after such section became effective.

(3) The exclusion from coverage referenced in subdivision (2)(C) of this subsection shall not apply to any portion of a contract, including a rider, that provides long-term care or any other health benefits.

(c) The benefits that the Association may become obligated to cover shall in no event exceed the lesser of:

(1) The contractual obligations for which the member insurer is liable or would have been liable if it were not an impaired or insolvent insurer; or

(2)(A) with respect to one life, regardless of the number of policies or contracts:

(i) $300,000.00 in life insurance death benefits, but not more than $100,000.00 in net cash surrender and net cash withdrawal values for life insurance;

(ii) for health insurance benefits:

(I) $100,000.00 for coverages not defined as disability income insurance or health benefit plans or long-term care insurance, including any net cash surrender and net cash withdrawal values;

(II) $300,000.00 for disability income insurance, and $300,000.00 for long-term care insurance;

(III) $500,000.00 for health benefit plans;

(iii) $250,000.00 in the present value of annuity benefits, including net cash surrender and net cash withdrawal values; or

(B) with respect to each individual participating in a governmental retirement benefit plan established under section 401, 403(b), or 457 of the U.S. Internal Revenue Code covered by an unallocated annuity contract or the beneficiaries of each such individual if deceased, in the aggregate, $250,000.00 in present value annuity benefits, including net cash surrender and net cash withdrawal values;

(C) with respect to each payee of a structured settlement annuity, or beneficiary or beneficiaries of the payee if deceased, $250,000.00 in present value annuity benefits, in the aggregate, including net cash surrender and net cash withdrawal values, if any;

(D) however, in no event shall the Association be obligated to cover more than:

(i) an aggregate of $300,000.00 in benefits with respect to any one life under subdivisions (2)(A)–(C) of this subsection (c) except with respect to benefits for health benefit plans under subdivision (2)(A)(ii) of this subsection (c), in which case the aggregate liability of the Association shall not exceed $500,000.00 with respect to any one individual; or

(ii) with respect to one owner of multiple nongroup policies of life insurance, whether the policy or contract owner is an individual, firm, corporation, or other person, and whether the persons insured are officers, managers, employees, or other persons, more than $5,000,000.00 in benefits, regardless of the number of policies and contracts held by the owner;

(E) with respect to either one contract owner provided coverage under subdivision (a)(3)(B) of this section, or one plan sponsor whose plans own directly or in trust one or more unallocated annuity contracts not included in subdivision (2)(B) of this subsection (c), $5,000,000.00 in benefits, irrespective of the number of contracts with respect to the contract owner or plan sponsor. However, in the case where one or more unallocated annuity contracts are covered contracts under this chapter and are owned by a trust or other entity for the benefit of two or more plan sponsors, coverage shall be afforded by the Association if the largest interest in the trust or entity owning the contract or contracts is held by a plan sponsor whose principal place of business is in Vermont and in no event shall the Association be obligated to cover more than $5,000,000.00 in benefits with respect to all these unallocated contracts.

(F) The limitations set forth in this subsection (c) are limitations on the benefits for which the Association is obligated before taking into account either its subrogation and assignment rights or the extent to which those benefits could be provided out of the assets of the impaired or insolvent insurer attributable to covered policies. The costs of the Association's obligations under this chapter may be met by the use of assets attributable to covered policies or reimbursed to the Association pursuant to its subrogation and assignment rights.

(G) For purposes of this chapter, benefits provided by a long-term care rider to a life insurance policy or annuity contract shall be considered the same type of benefits as the base life insurance policy or annuity contract to which it relates.

(d) In performing its obligations to provide coverage under section 4178 of this chapter, the Association shall not be required to guarantee, assume, reinsure, reissue, or perform, or cause to be guaranteed, assumed, reinsured, or reissued, or performed, the contractual obligations of the insolvent or impaired insurer under a covered policy or contract that do not materially affect the economic values or economic benefits of the covered policy or contract.

§ 4174. CONSTRUCTION

This chapter shall be liberally construed to effect the purpose under section 4172 of this chapter, which shall constitute an aid and guide to interpretation.

§ 4175. DEFINITIONS

As used in this chapter:

(1) "Account" means either of the two accounts created under section 4176 of this chapter.

(2) "Affiliate" means affiliate as defined in section 3681 of this title.

(3) "Association" means the Vermont Life and Health Insurance Guaranty Association created under section 4176 of this chapter.

(4) "Authorized assessment" or the term "authorized" when used in the context of assessments means a resolution by the Board of Directors has been passed whereby an assessment will be called immediately or in the future from member insurers for a specified amount. An assessment is authorized when the resolution is passed.

(5) "Benefit plan" means a specific employee, union, or association of natural persons benefit plan.

(6) "Called assessment" or the term "called" when used in the context of assessments means that a notice has been issued by the Association to member

insurers requiring that an authorized assessment be paid within the time frame set forth within the notice. An authorized assessment becomes a called assessment when notice is mailed by the Association to member insurers.

(7) "Commissioner" means the Commissioner of Financial Regulation.

(8) "Contractual obligation" means any obligation under a policy or contract, or certificate under a group policy or contract, or portion thereof, for which coverage is provided under section 4173 of this chapter.

(9) "Covered contract" or "covered policy" means a policy or contract, or portion of a policy or contract, for which coverage is provided under section 4173 of this chapter.

(10) "Extra-contractual claims" includes, for example, claims relating to bad faith in the payment of claims, punitive or exemplary damages, or attorneys' fees and costs.

(11) "Health benefit plan" means any hospital or medical expense policy or certificate, or health maintenance organization subscriber contract, or any other similar health contract. "Health benefit plan" does not include:

(A) accident only insurance:

(B) credit insurance;

(C) dental only insurance;

(D) vision only insurance;

(E) Medicare Supplement insurance;

(F) benefits for long-term care, home health care, community-based care, or any combination thereof;

(G) disability income insurance;

(H) coverage for on-site medical clinics; or

(I) specified disease, hospital confinement indemnity, or limited benefit health insurance if the types of coverage do not provide coordination of benefits and are provided under separate policies or certificates.

(12) "Impaired insurer" means a member insurer that, after the effective date of this chapter, is not an insolvent insurer and who is placed under an order of rehabilitation or conservation by a court of competent jurisdiction.

(13) "Insolvent insurer" means a member insurer that, after the effective date of this chapter, is placed under an order of liquidation by a court of competent jurisdiction with a finding of insolvency.

(14) "Member insurer" means any insurer or health maintenance organization licensed or that holds a certificate of authority to transact in this State any kind of insurance or health maintenance organization business for which coverage is provided under section 4173 of this chapter and includes an insurer or health maintenance organization whose license or certificate of authority in this State may have been suspended, revoked, not renewed, or voluntarily withdrawn, but does not include:

(A) a hospital or medical service organization, whether for-profit or nonprofit;

(B) a fraternal benefit society;

(C) a mandatory State pooling plan;

(D) a mutual assessment company or other person that operates on an assessment basis;

(E) an insurance exchange;

(F) an organization that has a certificate or license limited to the issuance of charitable gift annuities under section 3718a of this title; or

(G) an entity similar to any of the above.

(15) "Moody's Corporate Bond Yield Average" means the Monthly Average Corporates as published by Moody's Investors Service, Inc., or any successor thereto.

(16) "Owner" of a policy or contract and "policyholder," "policy owner," and "contract owner" mean the person who is identified as the legal owner under the terms of the policy or contract or who is otherwise vested with legal title to the policy or contract through a valid assignment completed in accordance with the terms of the policy or contract and properly recorded as the owner on the books of the member insurer. The terms owner, contract owner, policyholder, and policy owner do not include persons with a mere beneficial interest in a policy or contract.

(17) "Person" means any individual, corporation, limited liability company, partnership, association, governmental body or entity, or voluntary organization.

(18) "Plan sponsor" means:

(A) the employer in the case of a benefit plan established or maintained by a single employer;

(B) the employee organization in the case of a benefit plan established or maintained by an employee organization; or

(C) in the case of a benefit plan established or maintained by two or more employers or jointly by one or more employers and one or more employee organizations, the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the benefit plan.

(19) "Premiums" mean amounts or considerations, by whatever name called, received on covered policies or contracts, less returned premiums, considerations, and deposits, and less dividends and experience credits. "Premiums" does not include amounts or considerations received for policies or contracts or for the portions of any policies or contracts for which coverage is not provided under subsection 4173(b) of this chapter except that assessable premium shall not be reduced on account of subdivision 4173(b)(2)(C) of this chapter, relating to interest limitations, and of subdivision 4173(c)(2) of this chapter, relating to limitations with respect to one individual, one participant, and one policy or contract owner. "Premiums" shall not include:

(A) premiums in excess of $5,000,000.00 on an unallocated annuity contract not issued under a governmental retirement benefit plan, or its trustee, established under 26 U.S.C. § 401, 403(b), or 457 of the U.S. Internal Revenue Code; or

(B) with respect to multiple nongroup policies of life insurance owned by one owner, whether the policy or contract owner is an individual, firm, corporation, or other person, and whether the persons insured are officers, managers, employees, or other persons, premiums in excess of $5,000,000.00 with respect to these policies or contracts, regardless of the number of policies or contracts held by the owner.

(20)(A) "Principal place of business" of a plan sponsor or a person other than a natural person means the single state in which the natural persons who establish policy for the direction, control, and coordination of the operations of the entity as a whole primarily exercise that function, determined by the Association in its reasonable judgment by considering the following factors:

(i) the state in which the primary executive and administrative headquarters of the entity is located;

(ii) the state in which the principal office of the chief executive officer of the entity is located;

(iii) the state in which the board of directors, or similar governing person or persons, of the entity conducts the majority of its meetings;

(iv) the state in which the executive or management committee of the board of directors, or similar governing person or persons, of the entity conducts the majority of its meetings;

(v) the state from which the management of the overall operations of the entity is directed; and

(vi) in the case of a benefit plan sponsored by affiliated companies comprising a consolidated corporation, the state in which the holding company or controlling affiliate has its principal place of business as determined using the above factors;

(vii) however, in the case of a plan sponsor, if more than 50 percent of the participants in the benefit plan are employed in a single state, that state shall be deemed to be the principal place of business of the plan sponsor.

(B) The principal place of business of a plan sponsor of a benefit plan described in subdivision (18)(C) of this section shall be deemed to be the principal place of business of the association, committee, joint board of trustees, or other similar group of representatives of the parties who establish or maintain the benefit plan that, in lieu of a specific or clear designation of a principal place of business, shall be deemed to be the principal place of business of the employer or employee organization that has the largest investment in the benefit plan in question.

(21) "Receivership court" means the court in the insolvent or impaired insurer's state having jurisdiction over the conservation, rehabilitation, or liquidation of the member insurer.

(22) "Resident" means any person to whom a contractual obligation is owed and who resides in Vermont on the date of entry of a court order that determines a member insurer to be an impaired insurer or a court order that determines a member insurer to be an insolvent insurer, whichever occurs first. A person may be a resident of only one state, which in the case of a person other than a natural person shall be that state where it has its principal place of business. Citizens of the United States who are either residents of foreign countries or residents of United States possessions, territories, or protectorates that do not have an association similar to the Association created by this chapter shall be deemed residents of the state of domicile of the member insurer that issued the policies or contracts.

(23) "Structured settlement annuity" means an annuity purchased in order to fund periodic payments for a plaintiff or other claimant in payment for or with respect to personal injury suffered by the plaintiff or other claimant.

(24) "State" means a state, the District of Columbia, Puerto Rico, and a U. S. possession, territory, or protectorate.

(25) "Supplemental contract" means a written agreement entered into for the distribution of proceeds under a life, health, or annuity policy or contract.

(26) "Unallocated annuity contract" means any annuity contract or group annuity certificate that is not issued to and owned by an individual except to the extent of any annuity benefits guaranteed to an individual by an insurer under such contract or certificate.

§ 4176. CREATION OF THE ASSOCIATION

(a) There is created a nonprofit legal entity to be known as the Vermont Life and Health Insurance Guaranty Association. All member insurers shall be and remain members of the Association as a condition of their authority to transact insurance or health maintenance organization business in Vermont. The Association shall perform its functions under the plan of operation established and approved under section 4180 of this chapter and shall exercise its powers through a board of directors established under section 4177 of this chapter. For purposes of administration and assessment, the Association shall maintain two accounts:

(1) The life insurance and annuity account that includes the following subaccounts;

(A) life insurance account;

(B) annuity account, which shall include annuity contracts owned by a governmental retirement plan, or its trustee, established under section 401, 403(b), or 457 of the U.S. Internal Revenue Code, but shall otherwise exclude unallocated annuities; and

(C) unallocated annuity account, which shall exclude contracts owned by a governmental retirement plan, or its trustee, established under section 401, 403(b), or 457 of the U.S. Internal Revenue Code.

(2) The health account.

(b) The Association shall come under the immediate supervision of the Commissioner and shall be subject to the applicable provisions of the insurance laws of this State. Meetings and records of the Association may be opened to the public upon majority vote of the Board of Directors of the Association.

§ 4177. BOARD OF DIRECTORS

(a) The Board of Directors of the Association shall consist of not less than seven nor more than 11 member insurers serving terms as established in the plan of operation. Members of the Board shall be selected by member insurers subject to the approval of the Commissioner. A vacancy on the Board shall be filled for the remaining period of the term by a majority vote of the remaining board members, for member insurers subject to the approval of the Commissioner. To select the initial Board of Directors, and initially organize the Association, the Commissioner shall give notice to all member insurers of the time and place of the organizational meeting. In determining voting rights at the organizational meeting, each member insurer shall be entitled to one vote in person or by proxy. If the Board of Directors is not selected within 60 days after notice of the organizational meeting, the Commissioner may appoint the initial insurer members. At least one of the directors shall be a person who is an officer, director, or employee of an insurance company incorporated under the laws of this State; provided, however, this provision shall not apply in the event there is no member insurer incorporated under the laws of this State.

(b) In approving selections or in appointing members to the Board, the Commissioner shall consider, among other things, whether all member insurers are fairly represented.

(c) Members of the Board may be reimbursed from the assets of the Association for expenses incurred by them as members of the Board of Directors, but members of the Board shall not otherwise be compensated by the Association for their services.

§ 4178. POWERS AND DUTIES OF THE ASSOCIATION

(a) If a member insurer is an impaired insurer, the Association may, in its discretion and subject to any conditions imposed by the Association that do not impair the contractual obligations of the impaired insurer and that are approved by the Commissioner:

(1) guarantee, assume, or reissue, reinsure, or cause to be guaranteed, assumed, reissued, or reinsured, any or all of the policies or contracts of the impaired insurer; or

(2) provide such monies, pledges, loans, notes, guarantees, or other means as are proper to effectuate subdivision (1) of this subsection and ensure payment of the contractual obligations of the impaired insurer pending action under subdivision (1) of this subsection.

(b) If a member insurer is an insolvent insurer, the Association, in its discretion, shall either:

(1)(A)(i) guarantee, assume, or reissue, reinsure, or cause to be guaranteed, assumed, reissued, or reinsured, the policies or contracts of the insolvent insurer; or

(ii) ensure payment of the contractual obligations of the insolvent insurer; and

(B) provide monies, pledges, loans, notes, guarantees, or other means reasonably necessary to discharge the Association's duties; or

(2) provide benefits and coverages in accordance with the following provisions:

(A) With respect to policies and contracts, ensure payment of benefits that would have been payable under the policies or contracts of the insolvent insurer, for claims incurred:

(i) with respect to group policies and contracts, not later than the earlier of the next renewal date under those policies or contracts or 45 days, but in no event less than 30 days, after the date on which the Association becomes obligated with respect to the policies and contracts;

(ii) with respect to nongroup policies, contracts, and annuities, not later than the earlier of the next renewal date, if any, under the policies or contracts or one year, but in no event less than 30 days, from the date on which the Association becomes obligated with respect to the policies or contracts.

(B) Make diligent efforts to provide all known insureds, enrollees, or annuitants, for nongroup policies and contracts, or group policy or contract owners with respect to group policies and contracts, 30 days' notice of the termination, pursuant to subdivision (2)(A) of this subsection (b), of the benefits provided.

(C) With respect to nongroup policies and contracts covered by the Association, make available to each known insured, enrollee, or annuitant, or owner if other than the insured or annuitant, and with respect to an individual formerly an insured, enrollee, or annuitant under a group policy or contract who is not eligible for replacement group coverage, make available substitute coverage on an individual basis in accordance with the provisions of subdivision (2)(D) of this subsection (b) if the insureds, enrollees, or annuitants had a right under law or the terminated policy, contract, or annuity to convert coverage to individual coverage or to continue an individual policy, contract, or annuity in force until a specified age or for a specified time, during which the insurer or health maintenance organization had no right unilaterally to make changes in any provision of the policy, contract, or annuity or had a right only to make changes in premium by class.

(D)(i) In providing the substitute coverage required under subdivision (2)(C) of this subsection (b), the Association may offer either to reissue the terminated coverage or to issue an alternative policy or contract, subject to the prior approval of the Commissioner.

(ii) Alternative or reissued policies or contracts shall be offered without requiring evidence of insurability and shall not provide for any waiting period or exclusion that would not have applied under the terminated policy or contract.

(iii) The Association may reinsure any alternative or reissued policy or contract.

(E)(i) Alternative policies or contracts adopted by the Association shall be subject to the approval of the Commissioner. The Association may adopt alternative policies or contracts of various types for future issuance without regard to any particular impairment or insolvency.

(ii) Alternative policies or contracts shall contain at least the minimum statutory provisions required in Vermont and provide benefits that shall not be unreasonable in relation to the premium charged. The Association shall set the premium in accordance with a table of rates that it shall adopt. The premium shall reflect the amount of insurance to be provided and the age and class of risk of each insured. The premium shall not reflect any changes in the health of the insured after the original policy or contract was last underwritten.

(iii) Any alternative policy or contract issued by the Association shall provide coverage of a type similar to that of the policy or contract issued by the impaired or insolvent insurer, as determined by the Association.

(F) If the Association elects to reissue terminated coverage at a premium rate different from that charged under the terminated policy or contract, the premium shall be set by the Association in accordance with the amount of insurance or coverage provided and the age and class of risk, subject to prior approval of the Commissioner.

(G) The Association's obligations with respect to coverage under any policy or contract of the impaired or insolvent insurer or under any reissued or alternative policy or contract shall cease on the date the coverage or policy or contract is replaced by another similar policy or contract by the policy or contract owner, the insured, the enrollee, or the Association.

(H) When proceeding under this subdivision (b)(2) of this section with respect to a policy or contract carrying guaranteed minimum interest rates, the Association shall ensure the payment or crediting of a rate of interest consistent with subdivision 4173(b)(2)(C) of this chapter.

(c) Nonpayment of premiums within 31 days after the date required under the terms of any guaranteed, assumed, alternative, or reissued policy or contract or substitute coverage shall terminate the Association's obligations under the policy, contract, or coverage under this chapter with respect to the policy, contract, or coverage, except with respect to any claims incurred or any net cash surrender value that may be due in accordance with the provisions of this chapter.

(d) Premiums due for coverage after entry of an order of liquidation of an insolvent insurer shall belong to and be payable at the direction of the Association. If the liquidator of an insolvent insurer requests, the Association shall provide a report to the liquidator regarding such premium collected by the Association. The Association shall be liable for unearned premiums due to policy or contract owners arising after the entry of the order.

(e) The protection provided by this chapter shall not apply where any guaranty protection is provided to residents of Vermont by the laws of the domiciliary state or jurisdiction of the impaired or insolvent insurer other than this State.

(f) In carrying out its duties under subsection (b) of this section, the Association may:

(1) Subject to approval by a court in this State, impose permanent policy or contract liens, in connection with a guarantee, assumption, or reinsurance agreement, if the Association finds that the amounts that can be assessed under this chapter are less than the amounts needed to ensure full and prompt performance of the Association's duties under this chapter, or that the economic or financial conditions as they affect member insurers are sufficiently adverse to render the imposition of policy or contract liens to be in the public interest.

(2) Subject to the approval by a court in this State, impose temporary moratoriums or liens on payments of cash values and policy loans, or any other right to withdraw funds held in conjunction with policies or contracts, in addition to any contractual provisions for deferral of cash or policy loan value. In addition, in the event of a temporary moratorium or moratorium charge imposed by the receivership court on payment of cash values or policy loans, or on any other right to withdraw funds held in conjunction with policies or contracts, out of the assets of the impaired or insolvent insurer, the Association may defer the payment of cash values, policy loans, or other rights by the Association for the period of the moratorium or moratorium charge imposed by the receivership court, except for claims covered by the Association to be

paid in accordance with a hardship procedure established by the liquidator or rehabilitator and approved by the receivership court.

(g) A deposit in Vermont, held pursuant to law or required by the Commissioner for the benefit of creditors, including policy or contract owners, not turned over to the domiciliary liquidator upon the entry of a final order of liquidation or order approving a rehabilitation plan of a member insurer domiciled in this State or in a reciprocal state, shall be promptly paid to the Association. The Association shall be entitled to retain a portion of any amount so paid to it equal to the percentage determined by dividing the aggregate amount of policy or contract owners' claims related to that insolvency for which the Association has provided statutory benefits by the aggregate amount of all policy or contract owners' claims in this State related to that insolvency and shall remit to the domiciliary receiver the amount so paid to the Association less the amount retained pursuant to this subsection. Any amount so paid to the Association and retained by it shall be treated as a distribution of estate assets pursuant to applicable state receivership law dealing with early access disbursements.

(h) If the Association fails to act within a reasonable period of time with respect to an insolvent insurer, as provided in subsection (b) of this section, the Commissioner shall have the powers and duties of the Association under this chapter with respect to the insolvent insurer.

(i) The Association may render assistance and advice to the Commissioner, upon the Commissioner's request, concerning rehabilitation, payment of claims, continuance of coverage, or the performance of other contractual obligations of any impaired or insolvent insurer.

(j) The Association shall have standing to appear or intervene before any court or agency in Vermont with jurisdiction over an impaired or insolvent insurer concerning which the Association is or may become obligated under this chapter or with jurisdiction over any person or property against which the Association may have rights through subrogation or otherwise. Standing shall extend to all matters germane to the powers and duties of the Association, including proposals for reinsuring, reissuing, modifying, or guaranteeing the policies or contracts of the impaired or insolvent insurer and the determination of the policies or contracts and contractual obligations. The Association shall also have the right to appear or intervene before a court or agency in another state with jurisdiction over an impaired or insolvent insurer for which the Association is or may become obligated or with jurisdiction over any person or property against whom the Association may have rights through subrogation or otherwise.

(k)(1) Any person receiving benefits under this chapter shall be deemed to have assigned the rights under, and any causes of action against any person for losses arising under, resulting from or otherwise relating to, the covered policy or contract to the Association to the extent of the benefits received because of this chapter, whether the benefits are payments of or on account of contractual obligations, continuation of coverage, or provision of substitute or alternative policies, contracts, or coverages. The Association may require an assignment to it of such rights and cause of action by any enrollee, payee, policy or contract owner, beneficiary, insured, or annuitant as a condition precedent to the receipt of any rights or benefits conferred by this chapter upon such person.

(2) The subrogation rights of the Association under this subsection shall have the same priority against the assets of the impaired or insolvent insurer as that possessed by the person entitled to receive benefits under this chapter.

(3) In addition to subdivisions (1) and (2) of this subsection, the Association shall have all common law rights of subrogation and any other equitable or legal remedy that would have been available to the impaired or insolvent insurer or owner, beneficiary, enrollee, or payee of a policy or contract with respect to the policy or contracts, including, without limitation, in the case of a structured settlement annuity, any rights of the owner, beneficiary, or payee of the annuity, to the extent of benefits received pursuant to this chapter, against a person originally or by succession responsible for the losses arising from the personal injury relating to the annuity or payment therefore, excepting any such person responsible solely by reason of serving as an assignee in respect of a qualified assignment under section 130 of the U.S. Internal Revenue Code.

(4) If the preceding subdivisions of this subsection are invalid or ineffective with respect to any person or claim for any reason, the amount payable by the Association with respect to the related covered obligations shall be reduced by the amount realized by any other person with respect to the person or claim that is attributable to the policies or contracts, or portion thereof, covered by the Association.

(5) If the Association has provided benefits with respect to a covered obligation and a person recovers amounts as to which the Association has rights as described in the preceding subdivisions of this subsection, the person shall pay to the Association the portion of the recovery attributable to the policies or contracts, or portion thereof, covered by the Association.

(l) In addition to the rights and powers elsewhere in this chapter, the Association may:

(1) enter into such contracts as are necessary or proper to carry out the provisions and purposes of this chapter;

(2) sue or be sued, including taking any legal actions necessary or proper for recovery of any unpaid assessments under section 4179 of this chapter and to settle claims or potential claims against it;

(3) borrow money to effect the purposes of this chapter; and any notes or other evidence of indebtedness of the Association not in default shall be legal investments for domestic member insurers and may be carried as admitted assets;

(4) employ or retain such persons as are necessary or appropriate to handle the financial transactions of the Association, and to perform such other functions as become necessary or proper under this chapter;

(5) take such legal action as may be necessary or appropriate to avoid payment or recover payment of improper claims;

(6) exercise, for the purposes of this chapter and to the extent approved by the Commissioner, the powers of a domestic life insurer, health insurer, or health maintenance organization, but in no event may the Association issue policies or contracts other than those issued to perform its obligations under this chapter;

(7) organize itself as a corporation or in other legal form permitted by Vermont law;

(8) request information from a person seeking coverage from the Association in order to aid the Association in determining its obligations under this chapter with respect to the person, and the person shall promptly comply with the request;

(9) unless prohibited by law, in accordance with the terms and conditions of the policy or contract, file for actuarially justified rate or premium increases for any policy or contract for which it provides coverage under this chapter; and

(10) take other necessary or appropriate action to discharge its duties and obligations under this chapter or to exercise its powers under this chapter.

(m) The Association may join an organization of one or more other State associations of similar purposes, to further the purposes and administer the powers and duties of the Association.

(n)(1)(A) At any time within 180 days after the date of the order of liquidation, the Association may elect to succeed to the rights and obligations of the ceding member insurer that relate to policies, contracts, or annuities

covered, in whole or in part, by the Association, in each case under any one or more reinsurance contracts entered into by the insolvent insurer and its reinsurers and selected by the Association. Any such assumption shall be effective as of the date of the order of liquidation. The election shall be effected by the Association or by the National Organization of Life and Health Insurance Guaranty Associations (NOLHGA) on its behalf sending written notice, return receipt requested, to the affected reinsurers.

(B) To facilitate the earliest practicable decision about whether to assume any of the contracts of reinsurance, and in order to protect the financial position of the estate, the receiver and each reinsurer of the ceding member insurer shall make available upon request to the Association or to NOLHGA on its behalf as soon as possible after commencement of formal delinquency proceedings:

(i) copies of in-force contracts of reinsurance and all related files and records relevant to the determination of whether such contracts should be assumed; and

(ii) notices of any defaults under the reinsurance contacts or any known event or condition that, with the passage of time, could become a default under the reinsurance contracts.

(C) Subdivisions (i)–(iv) of this subdivision (1)(C) shall apply to reinsurance contracts assumed by the Association under subdivision (1)(A) of this subsection (n):

(i) The Association shall be responsible for all unpaid premiums due under the reinsurance contracts for periods both before and after the date of the order of liquidation and shall be responsible for the performance of all other obligations to be performed after the date of the order of liquidation, in each case that relate to policies, contracts, or annuities covered, in whole or in part, by the Association. The Association may charge policies, contracts, or annuities covered in part by the Association, through reasonable allocation methods, the costs for reinsurance in excess of the obligations of the Association and shall provide notice and an accounting of these charges to the liquidator.

(ii) The Association shall be entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods after the date of the order of liquidation and that relate to policies, contracts, or annuities covered, in whole or in part, by the Association, provided that, upon receipt of any such amounts, the Association shall be obliged to pay to the beneficiary under the policy, contracts, or

annuity on account of which the amounts were paid a portion of the amount equal to the lesser of:

(I) the amount received by the Association; and

(II) the excess of the amount received by the Association over the amount equal to the benefits paid by the Association on account of the policy, contracts, or annuity, less the retention of the insurer applicable to the loss or event.

(iii) Within 30 days following the Association's election (the election date), the Association and each reinsurer under contracts assumed by the Association shall calculate the net balance due to or from the Association under each reinsurance contract as of the election date with respect to policies, contracts, or annuities covered, in whole or in part, by the Association, which calculation shall give full credit to all items paid by either the member insurer or its receiver or the reinsurer prior to the election date. The reinsurer shall pay the receiver any amounts due for losses or events prior to the date of the order of liquidation, subject to any set-off for premiums unpaid for periods prior to the date, and the Association or reinsurer shall pay any remaining balance due the other, in each case within five days of the completion of the aforementioned calculation. Any disputes over the amounts due to either the Association or the reinsurer shall be resolved by arbitration pursuant to the terms of the affected reinsurance contracts or, if the contract contains no arbitration clause, as otherwise provided by law. If the receiver has received any amounts due the Association pursuant to subdivision (1)(C)(ii) of this subsection (n), the receiver shall remit the same to the Association as promptly as practicable.

(iv) If the Association or receiver, on the Association's behalf, within 60 days following the election date, pays the unpaid premiums due for periods both before and after the election date that relate to policies, contracts, or annuities covered, in whole or in part, by the Association, the reinsurer shall not be entitled to terminate the reinsurance contracts for failure to pay premium insofar as the reinsurance contracts relate to policies, contracts, or annuities covered, in whole or in part, by the Association, and shall not be entitled to set off any unpaid amounts due under other contracts, or unpaid amounts due from parties other than the Association, against amounts due the Association.

(2) During the period from the date of the order of liquidation until the election date or, if the election date does not occur, until 180 days after the date of the order of liquidation:

(A)(i) neither the Association nor the reinsurer shall have any rights or obligations under reinsurance contracts that the Association has the right to assume under subdivision (1) of this subsection (n), whether for periods prior to or after the date of the order of liquidation; and

(ii) the reinsurer, the receiver, and the Association shall, to the extent practicable, provide each other data and records reasonably requested;

(B) provided that once the Association has elected to assume a reinsurance contract, the parties' rights and obligations shall be governed by subdivision (1) of this subsection (n).

(3) If the Association does not elect to assume a reinsurance contract by the election date pursuant to subdivision (1) of this subsection (n), the Association shall have no rights or obligations, in each case for periods both before and after the date of the order of liquidation, with respect to the reinsurance contract.

(4) When policies, contracts, or annuities, or covered obligations with respect thereto, are transferred to an assuming insurer, reinsurance on the policies, contracts, or annuities may also be transferred by the Association, in the case of contracts assumed under subdivision (1) of this subsection (n), subject to the following:

(i) unless the reinsurer and the assuming insurer agree otherwise, the reinsurance contract transferred shall not cover any new policies of insurance, contracts, or annuities in addition to those transferred;

(ii) the obligations described in subdivision (1) of this subsection (n) shall no longer apply with respect to matters arising after the effective date of the transfer; and

(iii) notice shall be given in writing, return receipt requested, by the transferring party to the affected reinsurer not less than 30 days prior to the effective date of the transfer.

(5) The provisions of this subsection shall supersede the provisions of any State law or of any affected reinsurance contract that provides for or requires any payment of reinsurance proceeds, on account of losses or events that occur in periods after the date of the order of liquidation, to the receiver of the insolvent insurer or any other person. The receiver shall remain entitled to any amounts payable by the reinsurer under the reinsurance contracts with respect to losses or events that occur in periods prior to the date of the order of liquidation, subject to applicable setoff provisions.

(6) Except as otherwise provided in this section, nothing in this subsection shall alter or modify the terms and conditions of any reinsurance contract. Nothing in this subsection shall:

(A) abrogate or limit any rights of any reinsurer to claim that it is entitled to rescind a reinsurance contract;

(B) give a policyholder, contract owner, enrollee, certificate holder, or beneficiary an independent cause of action against a reinsurer that is not otherwise set forth in the reinsurance contract;

(C) limit or affect the Association's rights as a creditor of the estate against the assets of the estate; or

(D) apply to reinsurance agreements covering property or casualty risks.

(o) The Board of Directors of the Association shall have discretion and may exercise reasonable business judgment to determine the means by which the Association is to provide the benefits of this chapter in an economical and efficient manner.

(p) Where the Association has arranged or offered to provide the benefits of this chapter to a covered person under a plan or arrangement that fulfills the Association's obligations under this chapter, the person shall not be entitled to benefits from the Association in addition to or other than those provided under the plan or arrangement.

(q) Venue in a suit against the Association arising under this chapter shall be in the Civil Division of the Washington Superior Court. The Association shall not be required to give an appeal bond in an appeal that relates to a cause of action arising under this chapter.

(r) In carrying out its duties in connection with guaranteeing, assuming, reissuing, or reinsuring policies or contracts under subsection (a) or (b) of this section, the Association may issue substitute coverage for a policy or contract that provides an interest rate, crediting rate, or similar factor determined by use of an index or other external reference stated in the policy or contract employed in calculating returns or changes in value by issuing an alternative policy or contract in accordance with all of the following provisions:

(1) In lieu of the index or other external reference provided for in the original policy or contract, the alternative policy or contract provides for:

(A) a fixed interest rate;

(B) payment of dividends with minimum guarantees; or

(C) a different method for calculating interest or changes in value.

(2) There is no requirement for evidence of insurability, waiting period, or other exclusion that would not have applied under the replaced policy or contract.

(3) The alternative policy or contract is substantially similar to the replaced policy or contract in all other material terms.

§ 4179. ASSESSMENTS

(a) For the purpose of providing the funds necessary to carry out the powers and duties of the Association, the Board of Directors shall assess the member insurers, separately for each account, at such times and for such amounts as the Board finds necessary. Assessments shall be due not less than 30 days after prior written notice to the member insurers and shall accrue interest at nine percent per annum on and after the due date.

(b) There shall be two classes of assessments, as follows:

(1) Class A assessments shall be authorized and called for the purpose of meeting administrative and legal costs and other expenses. Class A assessments may be authorized and called whether or not related to a particular impaired or insolvent insurer.

(2) Class B assessments shall be authorized and called to the extent necessary to carry out the powers and duties of the Association under section 4178 of this chapter with regard to an impaired or insolvent insurer.

(c)(1) The amount of any Class A assessment shall be determined by the Board and may be authorized and called on a pro rata or non-pro rata basis. If pro rata, the Board may provide that it be credited against future Class B assessments.

(2) The amount of a Class B assessment, except assessments related to long-term care insurance, shall be allocated for assessment purposes between the accounts and among the subaccounts of the life insurance and annuity account, pursuant to an allocation formula, which may be based on the premiums or reserves of the impaired or insolvent insurer or any other standard deemed by the Board in its sole discretion as being fair and reasonable under the circumstances.

(3) The amount of the Class B assessment for long-term care insurance written by the impaired or insolvent insurer shall be allocated according to a methodology included in the plan of operation and approved by the Commissioner. The methodology shall provide for 50 percent of the assessment to be allocated to accident and health member insurers and 50 percent to be allocated to life and annuity member insurers.

(4) Class B assessments against member insurers for each account and subaccount shall be in the proportion that the premiums received on business in this State by each assessed member insurer on policies or contracts covered by each account for the three most recent calendar years for which information is available preceding the year in which the member insurer became insolvent or, in the case of an assessment with respect to an impaired insurer, the three most recent calendar years for which information is available preceding the year in which the member insurer became impaired, bears to premiums received on business in this State for those calendar years by all assessed member insurers.

(5) Assessments for funds to meet the requirements of the Association with respect to an impaired or insolvent insurer shall not be authorized or called until necessary to implement the purposes of this chapter. Classification of assessments under subsection (b) of this section and computation of assessments under this subsection shall be made with a reasonable degree of accuracy, recognizing that exact determinations may not always be possible. The Association shall notify each member insurer of its anticipated pro rata share of an authorized assessment not yet called within 180 days after the assessment is authorized.

(d) The Association may abate or defer, in whole or in part, the assessment of a member insurer if, in the opinion of the Board, payment of the assessment would endanger the ability of the member insurer to fulfill its contractual obligations. In the event an assessment against a member insurer is abated or deferred, in whole or in part, the amount by which such assessment is abated or deferred may be assessed against the other member insurers in a manner consistent with the basis for assessments set forth in this section. Once the conditions that caused a deferral have been removed or rectified, the member insurer shall pay all assessments that were deferred pursuant to a repayment plan approved by the Association.

(e)(1)(A) Subject to the provisions of subdivision (1)(B) of this subsection (e), the total of all assessments authorized by the Association with respect to a member insurer for each subaccount of the life insurance and annuity account and for the health account shall not in one calendar year exceed two percent of that member insurer's average annual premiums received in Vermont on the policies and contracts covered by the subaccount or account during the three calendar years preceding the year in which the member insurer became an impaired or insolvent insurer.

(B) If two or more assessments are authorized in one calendar year with respect to member insurers that become impaired or insolvent in different calendar years, the average annual premiums for purposes of the aggregate

assessment percentage limitation referenced in subdivision (1)(A) of this subsection (e) shall be equal and limited to the higher of the three-year average annual premiums for the applicable subaccount or account as calculated pursuant to this section.

(C) If the maximum assessment, together with the other assets of the Association in an account, does not provide in one year in either account an amount sufficient to carry out the responsibilities of the Association, the necessary additional funds shall be assessed as soon thereafter as permitted by this chapter.

(2) The Board may provide in the plan of operation a method of allocating funds among claims, whether relating to one or more impaired or insolvent insurers, when the maximum assessment will be insufficient to cover anticipated claims.

(3) If the maximum assessment for a subaccount of the life and annuity account in one year does not provide an amount sufficient to carry out the responsibilities of the Association, then pursuant to subdivision (c)(2) of this section, the Board shall access the other subaccounts of the life and annuity account for the necessary additional amount, subject to the maximum stated in subdivision (1) of this subsection.

(f) The Board may, by an equitable method as established in the plan of operation, refund to member insurers, in proportion to the contribution of each member insurer to that account, the amount by which the assets of the account exceed the amount the Board finds is necessary to carry out during the coming year the obligations of the Association with regard to that account, including assets accruing from assignment, subrogation, net realized gains, and income from investments. A reasonable amount may be retained in any account to provide funds for the continuing expenses of the Association and for future losses claims.

(g) It shall be proper for any member insurer, in determining its premium rates and policy owner dividends as to any kind of insurance or health maintenance organization business within the scope of this chapter, to consider the amount reasonably necessary to meet its assessment obligations under this chapter.

(h) The Association shall issue to each member insurer paying an assessment under this chapter, other than a Class A assessment, a certificate of contribution, in a form prescribed by the Commissioner, for the amount so paid. All outstanding certificates shall be of equal dignity and priority without reference to amounts or dates of issue. A certificate of contribution may be

shown by the member insurer in its financial statement as an asset in such form and for such amount, if any, and period of time as the Commissioner may approve.

(i)(1) A member insurer that wishes to protest all or part of an assessment shall pay when due the full amount of the assessment as set forth in the notice provided by the Association. The payment shall be available to meet Association obligations during the pendency of the protest or any subsequent appeal. Payment shall be accompanied by a statement in writing that the payment is made under protest and setting forth a brief statement of the grounds for the protest.

(2) Within 60 days following the payment of an assessment under protest by a member insurer, the Association shall notify the member insurer in writing of its determination with respect to the protest unless the Association notifies the member insurer that additional time is required to resolve the issues raised by the protest.

(3) Within 30 days after a final decision has been made, the Association shall notify the protesting member insurer in writing of that final decision. Within 60 days after receipt of notice of the final decision, the protesting member insurer may appeal that final action to the Commissioner.

(4) In the alternative to rendering a final decision with respect to a protest based on a question regarding the assessment base, the Association may refer protests to the Commissioner for a final decision, with or without a recommendation from the Association.

(5) If the protest or appeal on the assessment is upheld, the amount paid in error or excess shall be returned to the member insurer. Interest on a refund due a protesting member insurer shall be paid at the rate actually earned by the Association.

(j) The Association may request information of member insurers in order to aid in the exercise of its power under this section and member insurers shall promptly comply with a request.

§ 4180. PLAN OF OPERATION

(a)(1) The Association shall submit to the Commissioner a plan of operation and any amendments to the plan necessary or suitable to assure the fair, reasonable, and equitable administration of the Association. The plan of operation and any amendments to the plan shall become effective upon approval in writing by the Commissioner.

(2) If the Association fails to submit a suitable plan of operation within 120 days following the effective date of this chapter or if at any time thereafter

the Association fails to submit suitable amendments to the plan, the Commissioner shall, after notice and hearing, adopt such reasonable rules as are necessary or advisable to effectuate the provisions of this chapter. Such rules shall continue in force until modified by the Commissioner or superseded by a plan submitted by the Association and approved by the Commissioner.

(b) All member insurers shall comply with the plan of operation.

(c) The plan of operation shall, in addition to requirements enumerated elsewhere in this chapter:

(1) establish procedures for handling the assets of the Association;

(2) establish the amount and method of reimbursing members of the Board of Directors under section 4177 of this chapter;

(3) establish regular places and times including virtual conference calls for meetings of the Board of Directors;

(4) establish procedures for records to be kept of all financial transactions of the Association, its agents, and the Board of Directors;

(5) establish the procedures whereby selections for the Board of Directors will be made and submitted to the Commissioner;

(6) establish any additional procedures for assessments under section 4179 of this chapter;

(7) contain additional provisions necessary or proper for the execution of the powers and duties of the Association;

(8) establish procedures whereby a Director may be removed for cause, including in the case where a member insurer Director becomes an impaired or insolvent insurer; and

(9) require the Board of Directors to establish a policy and procedures for addressing conflicts of interests.

(d) The plan of operation may provide that any or all powers and duties of the Association, except those under subdivision 4178(l)(3) and section 4179 of this chapter, are delegated to a corporation, association, or other organization that performs or will perform functions similar to those of this Association, or its equivalent in two or more states. Such a corporation, association, or organization shall be reimbursed for any payments made on behalf of the Association and shall be paid for its performance of any function of the Association. A delegation under this subsection shall take effect only with the approval of both the Board of Directors and the Commissioner, and may be

made only to a corporation, association, or organization that extends protection not substantially less favorable and effective than that provided by this chapter.

§ 4181. DUTIES AND POWERS OF THE COMMISSIONER

(a) In addition to the duties and powers enumerated elsewhere in this chapter, the Commissioner shall:

(1) Upon the request of the Board of Directors, provide the Association with a statement of the premiums in Vermont and in any other appropriate states for each member insurer.

(2) Notify the Board of Directors of the existence of an impaired or insolvent insurer not later than three days after a determination of impairment or insolvency is made or the Commissioner receives notice of impairment or insolvency.

(3) When an impairment is declared and the amount of the impairment is determined, serve a demand upon the impaired insurer to make good the impairment within a reasonable time. Notice to the impaired insurer shall constitute notice to its shareholders, if any. The failure of the impaired insurer to promptly comply with such demand shall not excuse the Association from the performance of its powers and duties under this chapter.

(4) In any liquidation or rehabilitation proceeding involving a domestic insurer, be appointed as the liquidator or rehabilitator. If a foreign or alien member insurer is subject to a liquidation proceeding in its domiciliary jurisdiction or state of entry, the Commissioner shall be appointed conservator.

(b) The Commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact business in Vermont of any member insurer that fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative, the Commissioner may levy a forfeiture on any member insurer that fails to pay an assessment when due. Such forfeiture shall not exceed five percent of the unpaid assessment per month, but no forfeiture shall be less than $500.00 per month.

(c) A final action of the Board of Directors or the Association may be appealed to the Commissioner by a member insurer if such appeal is taken within 60 days following its receipt of notice of the final action being appealed. A final action or order of the Commissioner shall be subject to judicial review in the Vermont Supreme Court.

(d) The liquidator, rehabilitator, or conservator of any impaired or insolvent insurer may notify all interested persons of the effect of this chapter.

§ 4182. PREVENTION OF INSOLVENCIES

(a) To aid in the detection and prevention of member insurer impairment or insolvency, it shall be the duty of the Commissioner to:

(1) Notify the commissioners of all the other states within 30 days following the action taken or the date the action occurs when the Commissioner takes any of the following actions against a member insurer:

(A) revocation of license;

(B) suspension of license; or

(C) makes a formal order that the member insurer restrict its premium writing, obtain additional contributions to surplus, withdraw from Vermont, reinsure all or any part of its business, or increase capital, surplus, or any other account for the security of policy owners, contract owners, certificate holders, or creditors.

(2) Report to the Board of Directors when the Commissioner has taken any of the actions set forth in subdivision (1) of this subsection or has received a report from any other commissioner indicating that any such action has been taken in another state. The report to the Board of Directors shall contain all significant details of the action taken or the report received from another commissioner.

(3) Report to the Board of Directors when the Commissioner has reasonable cause to believe from an examination, whether completed or in process, of any member insurer that the insurer may be an impaired or insolvent insurer.

(4) Furnish to the Board of Directors the NAIC Insurance Regulatory Information System ratios and listings of companies not included in the ratios developed by the National Association of Insurance Commissioners, and the Board may use the information contained therein in carrying out its duties and responsibilities under this section. The report and the information contained therein shall be kept confidential by the Board of Directors until such time as made public by the Commissioner or other lawful authority.

(b) The Commissioner may seek the advice and recommendations of the Board of Directors concerning any matter affecting the duties and responsibilities of the Commissioner regarding the financial condition of member insurers and insurers or health maintenance organizations seeking admission to transact business in Vermont.

(c) The Board of Directors, upon majority vote, may make reports and recommendations to the Commissioner upon any matter germane to the

solvency, liquidation, rehabilitation, or conservation of any member insurer or germane to the solvency of any insurer or health maintenance organization seeking to do business in Vermont. Such reports and recommendations shall not be considered public documents.

(d) The Board of Directors, upon majority vote, shall notify the Commissioner of any information indicating a member insurer may be an impaired or insolvent insurer.

(e) The Board of Directors, upon majority vote, may make recommendations to the Commissioner for the detection and prevention of member insurer insolvencies.

(f) The Board of Directors shall, at the conclusion of any insurer impairment or insolvency in which the Association carried out its duties under this chapter or exercised any of its powers under this chapter, prepare a report on the history and causes of such impairment or insolvency, based on the information available to the Association, and submit such report to the Commissioner.

§ 4183. CREDITS FOR ASSESSMENTS PAID

(a) A member insurer may offset against its premium tax liability to Vermont an assessment described in subsection 4179(h) of this chapter to the extent of 20 percent of the amount of the assessment for each of the five calendar years following the year in which the assessment was paid. In the event a member insurer should cease doing business, all uncredited assessments may be credited against its premium tax liability for the year it ceases doing business.

(b) A member insurer that is exempt from taxes referenced in subsection (a) of this section may recoup its assessments by a surcharge on its premiums in a sum reasonably calculated to recoup the assessments over a reasonable period of time, as approved by the Commissioner. Amounts recouped shall not be considered premiums for any other purpose, including the computation of gross premium tax, the medical loss ratio, or agent commission. If a member insurer collects excess surcharges, the insurer shall remit the excess amount to the Association, and the excess amount shall be applied to reduce future assessments in the appropriate account.

(c) Any sums acquired by refund, pursuant to subsection 4179(f) of this chapter, from the Association that have been written off by contributing insurers and offset against premium taxes as provided in subsection (a) of this section, and are not then needed for purposes of this chapter, shall be paid by the insurer to the Commissioner, who shall deposit them with the State Treasurer for credit to the General Fund.

§ 4184. MISCELLANEOUS PROVISIONS

(a) This chapter shall not be construed to reduce the liability for unpaid assessments of the insureds of an impaired or insolvent insurer operating under a plan with assessment liability.

(b)(1) Records shall be kept of all meetings of the Board of Directors to discuss the activities of the Association in carrying out its powers and duties under section 4178 of this chapter. The records of the Association with respect to an impaired or insolvent insurer shall not be disclosed prior to the termination of a liquidation, rehabilitation, or conservation proceeding involving the impaired or insolvent insurer, except:

(A) upon the termination of the impairment or insolvency of the member insurer; or

(B) upon the order of a court of competent jurisdiction.

(2) Nothing in this subsection shall limit the duty of the Association to render a report of its activities under section 4185 of this chapter.

(c) For the purpose of carrying out its obligations under this chapter, the Association shall be deemed to be a creditor of the impaired or insolvent insurer to the extent of assets attributable to covered policies reduced by any amounts to which the Association is entitled as subrogee pursuant to subsection 4178(k) of this chapter. Assets of the impaired or insolvent insurer attributable to covered policies shall be used to continue all covered policies and pay all contractual obligations of the impaired or insolvent insurer as required by this chapter. Assets attributable to covered policies or contracts, as used in this subsection, are that proportion of the assets that the reserves that should have been established for such policies or contracts bear to the reserves that should have been established for all policies of insurance or health benefit plans written by the impaired or insolvent insurer.

(d) As a creditor of the impaired or insolvent insurer pursuant to subsection (c) of this section and consistent with section 7073 of this title, the Association and other similar associations shall be entitled to receive a disbursement of assets out of the marshaled assets, from time to time as the assets become available to reimburse it, as a credit against contractual obligations under this chapter. If the liquidator has not, within 120 days after a final determination of insolvency of a member insurer by the receivership court, made an application to the court for the approval of a proposal to disburse assets out of marshaled assets to guaranty associations having obligations because of the insolvency, then the Association shall be entitled to make application to the receivership court for approval of its own proposal to disburse these assets.

(e)(1) Prior to the termination of any liquidation, rehabilitation, or conservation proceeding, the court may take into consideration the contributions of the respective parties, including the Association, the shareholders, contract owners, certificate holders, enrollees, and policyowners of the insolvent insurer, and any other party with a bona fide interest, in making an equitable distribution of the ownership rights of the insolvent insurer. In such a determination, consideration shall be given to the welfare of the policyowners, contract owners, certificate holders, and enrollees of the continuing or successor member insurer.

(2) No distribution to stockholders, if any, of an impaired or insolvent insurer shall be made until and unless the total amount of valid claims of the Association with interest thereon for funds expended in carrying out its powers and duties under section 4178 of this chapter with respect to the member insurer have been fully recovered by the Association.

(f) If an order for liquidation or rehabilitation of a member insurer domiciled in Vermont has been entered, the receiver appointed under such order shall have a right to recover on behalf of the member insurer from any affiliate that controlled it the amount of distributions, other than stock dividends paid by the member insurer on its capital stock, made at any time during the five years preceding the petition for liquidation or rehabilitation subject to the following limitations:

(1) A distribution shall not be recoverable if the member insurer shows that, when paid, the distribution was lawful and reasonable and that the member insurer did not know and could not reasonably have known that the distribution might adversely affect the ability of the member insurer to fulfill its contractual obligations.

(2) Any person who was an affiliate that controlled the member insurer at the time the distributions were paid shall be liable up to the amount of distributions received. Any person who was an affiliate that controlled the member insurer at the time the distributions were declared shall be liable up to the amount of distributions that would have been received if they had been paid immediately. If two or more persons are liable with respect to the same distributions, they shall be jointly and severally liable.

(3) The maximum amount recoverable under this subdivision shall be the amount needed in excess of all other available assets of the insolvent insurer to pay the contractual obligations of the insolvent insurer.

(g) If any person liable under subdivision (f)(2) of this section is insolvent, all its affiliates that controlled it at the time the distribution was paid shall be

jointly and severally liable for any resulting deficiency in the amount recovered from the insolvent affiliate.

§ 4185. EXAMINATION; ANNUAL REPORT

The Association shall be subject to examination and regulation by the Commissioner. The Board of Directors shall submit to the Commissioner, not later than May 1 of each year, a financial report for the preceding calendar year in a form approved by the Commissioner and a report of its activities during the preceding calendar year. Upon request of a member insurer, the Association shall provide the member insurer with a copy of the report.

§ 4186. TAX EXEMPTIONS

The Association shall be exempt from payment of all fees and all taxes levied by Vermont or any of its subdivisions, except taxes levied on real property.

§ 4187. IMMUNITY

There shall be no liability on the part of and no cause of action of any nature shall arise against any member insurer or its agents or employees, the Association or its agents or employees, members of the Board of Directors, or the Commissioner or the Commissioner's representatives for any action or omission by them in the performance of their powers and duties under this chapter. This immunity shall extend to the participation in any organization of one or more other state associations of similar purposes and to any such organization and its agents or employees.

§ 4188. STAY OF PROCEEDINGS; REOPENING DEFAULT JUDGMENTS

All proceedings in which the insolvent insurer is a party in any court in Vermont shall be stayed 180 days from the date an order of liquidation, rehabilitation, or conservation is final to permit proper legal action by the Association on any matters germane to its powers or duties. As to a judgment under any decision, order, verdict, or finding based on the default, the Association may apply to have such judgment set aside by the same court that made such judgment and shall be permitted to defend against such suit on the merits.

§ 4189. PROHIBITED ADVERTISEMENT; NOTICE TO POLICY OWNERS

(a) No person, including a member insurer, or agent or affiliate of a member insurer, shall make, publish, disseminate, circulate, or place before the public, or cause directly or indirectly, to be made, published, disseminated,

circulated, or placed before the public, in any newspaper, magazine or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio station or television station, or in any other way, any advertisement, announcement, or statement, written or oral, that uses the existence of the Insurance Guaranty Association of Vermont for the purpose of sales, solicitation, or inducement to purchase any form of insurance or other coverage covered by this chapter. However, this section shall not apply to the Vermont Life and Health Insurance Guaranty Association or any other entity that does not sell or solicit insurance or coverage by a health maintenance organization.

(b) Within 180 days after the effective date of this chapter, the Association shall prepare a summary document describing the general purposes and current limitations of this chapter and complying with subsection (c) of this section. This document shall be submitted to the Commissioner for approval. At the expiration of the 60th day after the date on which the Commissioner approves the document, a member insurer may not deliver a policy or contract to a policy owner, contract owner, certificate holder, or enrollee unless the summary document is delivered to the policy owner, contract owner, certificate holder, or enrollee at the time of delivery of the policy or contract. The document shall also be available upon request by a policy owner, contract owner, certificate holder, or enrollee. The distribution, delivery, contents, or interpretation of this document does not guarantee that either the policy or the contract or the policy owner, contract owner, certificate holder, or enrollee is covered in the event of the impairment or insolvency of a member insurer. The document shall be revised by the Association as amendments to the chapter may require. Failure to receive this document does not give the policy owner, contract owner, certificate holder, enrollee, or insured any greater rights than those stated in this chapter.

(c) The document prepared under subsection (b) of this section shall contain a clear and conspicuous disclaimer on its face. The Commissioner shall establish the form and content of the disclaimer. The disclaimer shall:

(1) state the name and address of the Association and the Department of Financial Regulation;

(2) prominently warn the policy owner, contract owner, certificate holder, or enrollee that the Association may not cover the policy or contract or, if coverage is available, it will be subject to substantial limitations and exclusions and conditioned on continued residence in Vermont;

(3) state the types of policies or contracts for which guaranty funds will provide coverage;

(4) state that the member insurer and its agents are prohibited by law from using the existence of the Association for the purpose of sales, solicitation, or inducement to purchase any form of insurance or health maintenance organization coverage;

(5) state that the policy owner, contract owner, certificate holder, or enrollee should not rely on coverage under the Association when selecting an insurer or health maintenance organization;

(6) explain rights available and procedures for filing a complaint to allege a violation of any provision of this chapter; and

(7) provide other information as directed by the Commissioner, including sources for information about the financial condition of insurers, provided that the information is not proprietary and is subject to disclosure under Vermont's Public Records Act.

(d) A member insurer shall retain evidence of compliance with subsection (b) of this section for so long as the policy or contract for which the notice is given remains in effect.

§ 4190. PROSPECTIVE APPLICATION

(a) This chapter shall apply to all matters relating to any impaired or insolvent insurer for which the Association first became obligated on or after July 1, 2023.

(b) Matters relating to any impaired or insolvent insurer for which the Association first became obligated prior to July 1, 2023, shall be governed by the provisions of this chapter in effect at the time the Association first became obligated for such matters.

Sec. 10. 8 V.S.A. § 7033 is amended to read:

§ 7033. INJUNCTIONS AND ORDERS

(a) A receiver appointed in a proceeding under this chapter may at any time apply for, and any court of general jurisdiction may grant, restraining orders, preliminary and permanent injunctions, and other orders as may be deemed necessary and proper to prevent:

(1) the transaction of further business;

(2) the transfer of property;

(3) interference with the receiver or with a proceeding under this chapter;

(4) waste of the insurer's assets;

(5) dissipation and transfer of bank accounts;

(6) the institution or further prosecution of any actions or proceedings;

(7) the obtaining of preferences, judgments, attachments, garnishments, or liens against the insurer, its assets or its policyholders;

(8) the levying of execution against the insurer, its assets or its policyholders;

(9) the making of any sale or deed for nonpayment of taxes or assessments that would lessen the value of the assets of the insurer;

(10) the withholding from the receiver of books, accounts, documents, or other records relating to the business of the insurer; or

(11) any other threatened or contemplated action that might lessen the value of the insurer's assets or prejudice the rights of policyholders, creditors, or shareholders, or the administration of any proceeding under this chapter.

(b) The receiver may apply to a court outside the State for the relief described in subsection (a) of this section.

(c) Notwithstanding subsections (a) and (b) of this section, subsection 7054(a) of this title, or any other provision of this chapter to the contrary, no person, for more than 10 days, shall be restrained, stayed, enjoined, or prohibited from exercising or enforcing any right or cause of action under any pledge, security, credit, collateral, loan, advances, reimbursement, or guarantee agreement or arrangement, or any similar agreement, arrangement, or other credit enhancement to which a federal home loan bank is a party.

(d) A federal home loan bank exercising its rights regarding collateral pledged by an insurer-member shall, within seven days after receiving a redemption request made by the insurer-member, repurchase any of the insurer-member's outstanding capital stock in excess of the amount the insurer-member must hold as a minimum investment. The federal home loan bank shall repurchase the excess outstanding capital stock only to the extent that it determines in good faith that the repurchase is both of the following:

(1) permissible under federal laws and regulations and the federal home loan bank's capital plan; and

(2) consistent with the capital stock practices currently applicable to the federal home loan bank's entire membership.

(e) Not later than 10 days after the date of appointment of a receiver in a proceeding under this chapter involving an insurer-member of a federal home loan bank, the federal home loan bank shall provide to the receiver a process and timeline for the following:

(1) the release of any collateral held by the federal home loan bank that exceeds the amount that is required to support the secured obligations of the insurer-member and that is remaining after any repayment of loans, as determined under the applicable agreements between the federal home loan bank and the insurer-member;

(2) the release of any collateral of the insurer-member remaining in the federal home loan bank's possession following repayment in full of all outstanding secured obligations of the insurer-member;

(3) the payment of fees owed by the insurer-member and the operation, maintenance, closure, or disposition of deposits and other accounts of the insurer-member, as mutually agreed upon by the receiver and the federal home loan bank; and

(4) any redemption or repurchase of federal home loan bank stock or excess stock of any class that the insurer-member is required to own under agreements between the federal home loan bank and the insurer-member.

(f) Upon the request of a receiver appointed in a proceeding under this chapter involving a federal home loan bank insurer-member, the federal home loan bank shall provide to the receiver any available options for the insurer-member to renew or restructure a loan. In determining which options are available, the federal home loan bank may consider market conditions, the terms of any loans outstanding to the insurer-member, the applicable policies of the federal home loan bank, and the federal laws and regulations applicable to federal home loan banks.

(g) As used in this section, "federal home loan bank" means an institution chartered under the "Federal Home Loan Bank Act of 1932," 12 U.S.C. 1421, et seq. and "insurer-member" means a member of the federal home loan bank in question that is an insurer.

Sec. 11. 8 V.S.A. § 7065 is amended to read:

§ 7065. FRAUDULENT TRANSFERS PRIOR TO PETITION

(a) Every transfer made or suffered and every obligation incurred by an insurer within one year prior to the filing of a successful petition for rehabilitation or liquidation under this chapter is fraudulent as to then existing and future creditors if made or incurred without fair consideration, or with actual intent to hinder, delay, or defraud either existing or future creditors. A transfer made or an obligation incurred by an insurer ordered to be rehabilitated or liquidated under this chapter, which is fraudulent under this section, may be avoided by the receiver, except as to a person who in good faith is a purchaser, lienor, or obligee, for a present fair equivalent value, and

except that a purchaser, lienor, or obligee, who in good faith has given a consideration less than fair for such transfer, lien, or obligation, may retain the property, lien, or obligation as security for repayment. The Court may, on due notice, order any such transfer or obligation to be preserved for the benefit of the estate, and in that event, the receiver shall succeed to and may enforce the rights of the purchaser, lienor, or obligee.

* * *

(e) Notwithstanding subsection (a) of this section, section 7066 of this title, or any other provision of this chapter to the contrary, no receiver or any other person shall avoid any transfer of, or any obligation to transfer, money or any other property arising under or in connection with any pledge, security, credit, collateral, loan, advances, reimbursement, or guarantee agreement or arrangement, or any similar agreement, arrangement, or other credit enhancement to which a federal home loan bank, as defined in section 7033 of this title, is a party, that is made, incurred, or assumed prior to or after the filing of a successful petition for rehabilitation or liquidation under this chapter, or otherwise would be subject to avoidance under this section or section 7066 of this title; provided, however, that a transfer may be avoided under this section or section 7066 of this title if the transfer was made with actual intent to hinder, delay, or defraud the insurer, a receiver appointed for the insurer, or existing or future creditors.

Sec. 12. 8 V.S.A. § 7067 is amended to read:

§ 7067. VOIDABLE PREFERENCES AND LIENS

(a)(1) A preference is a transfer of any of the property of an insurer to or for the benefit of a creditor, for or on account of an antecedent debt, made or suffered by the insurer within one year before the filing of a successful petition for liquidation under this chapter, the effect of which transfer may be to enable the creditor to obtain a greater percentage of this debt than another creditor of the same class would receive. If a liquidation order is entered while the insurer is already subject to a rehabilitation order, then such transfers shall be deemed preferences if made or suffered within one year before the filing of the successful petition for rehabilitation, or within two years before the filing of the successful petition for liquidation, whichever time is shorter.

(2) A preference may be avoided by the liquidator if:

(A) the insurer was insolvent at the time of the transfer of property;

(B) the transfer of property was made within four months before the filing of the petition;

(C) the creditor receiving it or to be benefited by it or the creditor's agent acting with reference to it had, at the time when the transfer of property was made, reasonable cause to believe that the insurer was insolvent or was about to become insolvent; or

(D) the creditor receiving transferred property was an officer, or any employee or attorney or other person who was in fact in a position of comparable influence in the insurer to an officer whether or not he or she held such position, or any shareholder holding directly or indirectly more than five per centum of any class of any equity security issued by the insurer, or any other person, firm, corporation, association, or aggregation of persons with whom the insurer did not deal at arm's length.

(3) Where the preference is voidable, the liquidator may recover the property or, if it has been converted, its value from any person who has received or converted the property; except where a bona fide purchaser or lienor has given less than fair equivalent value, ~~he or she~~ the purchaser or lienor shall have a lien upon the property to the extent of the consideration actually given by ~~him or her~~ the purchaser or lienor. Where a preference by way of lien or security title is voidable, the court may on due notice order the lien or title to be preserved for the benefit of the estate, in which event the lien or title shall pass to the liquidator.

(4) Notwithstanding subdivision (2) of this section, or any other provision of this chapter to the contrary, no receiver or any other person shall avoid any preference arising under or in connection with any pledge, security, credit, collateral, loan, advances, reimbursement, or guarantee agreement or arrangement, or any similar agreement, arrangement, or other credit enhancement to which a federal home loan bank, as defined in section 7033 of this title, is a party.

* * *

Sec. 12a. STUDY; AUTOMOBILE INSURANCE; LABOR RATES; USE OF AFTERMARKET PARTS; BUSINESS PRACTICES

(a) In order to ensure that the business practices of automobile insurance companies in Vermont are fair and reasonable, the Commissioner of Financial Regulation shall conduct a study of labor rates, the use of aftermarket parts, market conditions, and other business practices identified in this section. The Commissioner shall investigate and make findings and recommendations regarding the following:

(1) The average hourly labor rates charged by auto body shops in Vermont on both a statewide and a regional basis; the rates charged in other

jurisdictions, including the regions of New York, Massachusetts, and New Hampshire that share a border with Vermont; and the rates paid by automobile insurance companies for repair work in Vermont. In addition, the Commissioner shall consult with the Economic & Labor Market Information Division within the Department of Labor to obtain, as a reference, hourly wage data for auto body and related repairers. The Commissioner shall also take into consideration other forms of insurance labor reimbursement including flat rates for repair work, as well as the factors used by auto body shops and insurance companies to arrive at labor repair rates. Based on this data, the Commissioner shall recommend whether Vermont should establish a minimum labor reimbursement rate for both first- and third-party automobile insurance claims and, if so, what that rate should be and how it should be adjusted to reflect market changes such as inflation.

(2) Whether the appraisal practices of automobile insurance companies and independent appraisers equally consider the interests of insurance companies, auto body shops, and consumers.

(3) The extent to which an automobile insurance company controls or influences repair work done at an auto body shop chosen by the consumer and how any such control or influence should affect the liability of the insurance company, particularly regarding the quality and safety of the repair work.

(4) The use of direct repair programs, generally, and their impact on both the automobile repair industry and consumers.

(5) The disclosures made to a consumer by an insurance company, both at the point of sale and upon the submission of a claim, as well as the existing consumer information developed and maintained by the Department of Financial Regulation and whether and to what extent additional disclosures are necessary to ensure a consumer is adequately informed of their potential financial exposure under a policy, including with regard to any labor rate differential, material rate differential, hour differential, and rental differential for loss of use.

(6) Whether Insurance Regulation I-79-2 (revised) should be updated to reflect market changes or business practices that may impede the prompt, fair, and equitable settlement of claims in which liability has become reasonably clear. In particular, the Commissioner shall review Section 8 of the regulation, which concerns standards for the settlements of property and physical damage claims, and further clarify the independence of the appraisals under subdivision (A)(1); the ability of an insurer to negotiate with a repairer under subdivision (A)(2); and the ability of an insurer to insist that repairs be done by a specific repairer under subdivision (A)(3). If the Commissioner

determines revisions to the regulation are necessary, the Commissioner shall initiate a rulemaking to effectuate those revisions.

(7) The betterment practices of insurance companies and whether the valuation methods employed are legitimate and fair to consumers.

(8) The use of aftermarket or recycled parts in automobile repairs, including their potential cost savings, and whether aftermarket parts, in particular, should be certified and whether and to what extent an insurer should be liable for incidental costs related to the use of aftermarket or recycled parts, such as for any necessary modifications, and the notification that should be provided to a consumer regarding the use of aftermarket or recycled parts in a repair.

(9) The number and nature of complaints received by the Department of Financial Regulation with respect to automobile insurance policies. In addition, the Commissioner shall request and the Attorney General shall provide the number and nature of any such complaints received by the Consumer Assistance Program, as well as the number and nature of any complaints regarding repair work by auto body shops.

(10) Any other acts or practices or market conditions related to insurance coverage for automobile repairs and whether any additional regulatory measures are necessary to prevent anticompetitive behavior and ensure the interests of all parties, especially consumers, are adequately protected.

(11) How the costs of auto repairs contribute to the price and availability of automobile insurance in Vermont and whether the establishment of a minimum labor rate and all other findings and recommendations made by the Commissioner pursuant to this section could impact the price and availability of automobile insurance in Vermont.

(b) The Commissioner shall establish a process for soliciting and receiving input regarding the matters addressed in this section from stakeholders, including insurance companies, consumers, auto body shops, and any other persons deemed appropriate by the Commissioner.

(c) The Commissioner of Financial Regulation shall submit a final report that includes the Commissioner's finding and recommendations under this section to the House Committee on Commerce and Economic Development and the Senate Committees on Finance and on Judiciary on or before November 15, 2024 and shall submit an interim progress report to the same legislative committees on or before January 15, 2024.

Sec. 13. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

Consideration Postponed

S. 33.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

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. 3 V.S.A. § 5014(f) is amended to read:

(f) Repeal. This section shall be repealed on June 30, 2027.

Sec. 2. 4 V.S.A. § 22 is amended to read:

§ 22. DESIGNATION AND SPECIAL ASSIGNMENT OF JUDICIAL OFFICERS AND RETIRED JUDICIAL OFFICERS

(a)(1) The Chief Justice may appoint and assign a retired Justice or judge with the Justice's or judge's consent or a Superior or Probate judge to a special assignment on the Supreme Court. The Chief Justice may appoint, and the Chief Superior Judge shall assign, an active or retired Justice or a retired judge, with the Justice's or judge's consent, to any special assignment in the Superior Court or the Judicial Bureau.

(2) The Chief Superior Judge may appoint and assign a judge to any special assignment in the Superior Court. ~~As used in~~ For purposes of this subdivision, a judge shall include a Superior judge, a Probate judge, a Family Division magistrate, ~~or~~ a judicial hearing officer, or a judicial master.

* * *

Sec. 3. 4 V.S.A. § 27 is amended to read:

§ 27. COURT TECHNOLOGY SPECIAL FUND

There is established the Court Technology Special Fund ~~which~~ that shall be managed in accordance with 32 V.S.A. chapter 7, subchapter 5. Administrative fees collected pursuant to 13 V.S.A. § 7252 and revenue collected pursuant to fees established pursuant to sections 1105 and 1109 of

this title shall be deposited and credited to this Fund. The Fund shall be available to the Judicial Branch to pay for contractual and operating expenses and project-related staffing not covered by the General Fund related to the following:

(1) ~~The~~ the acquisition and maintenance of software and hardware needed for case management, electronic filing, an electronic document management system, and the expense of implementation, including training~~.~~;

(2) ~~The~~ the acquisition and maintenance of electronic audio and video court recording and conferencing equipment~~.~~; and

(3) ~~The~~ the acquisition, maintenance, and support of the Judiciary's information technology network, including training.

Sec. 4. 4 V.S.A. § 27b is amended to read:

§ 27b. ~~ELECTRONICALLY FILED VERIFIED DOCUMENTS~~ SELF-ATTESTED DECLARATION IN LIEU OF NOTARIZATION

(a) ~~A registered electronic filer in the Judiciary's electronic document filing system may file any~~ Any document that would otherwise require the approval or verification of a notary ~~by filing the document~~ may be filed with the following language inserted above the signature and date:

"I declare that the above statement is true and accurate to the best of my knowledge and belief. I understand that if the above statement is false, I will be subject to the penalty of perjury or to other sanctions in the discretion of the court."

(b) A document filed pursuant to subsection (a) of this section shall not require the approval or verification of a notary.

(c) This section shall not apply to an affidavit in support of a search warrant application, ~~or to~~ an application for a nontestimonial identification order, an oath required by 14 V.S.A. §108, or consents and relinquishments in adoption proceedings governed by Title 15A.

Sec. 5. 4 V.S.A. § 32 is amended to read:

§ 32. JURISDICTION; CRIMINAL DIVISION

* * *

(c) The Criminal Division shall have jurisdiction of the following civil actions:

* * *

(12) proceedings to enforce 9 V.S.A. chapter 74, relating to energy efficiency standards for appliances and equipment; and

(13) proceedings to enforce 30 V.S.A. § 53, relating to commercial building energy standards.

Sec. 6. 4 V.S.A. § 36(a) is amended to read:

(a) Composition of the court. Unless otherwise specified by law, when in session, a Superior Court shall consist of:

* * *

Sec. 7. 12 V.S.A. § 5 is amended to read:

§ 5. DISSEMINATION OF ELECTRONIC CASE RECORDS

(a) The Court shall not permit public access via the Internet to criminal, family, or probate case records. The Court may permit criminal justice agencies, as defined in 20 V.S.A. § 2056a, Internet access to criminal case records for criminal justice purposes, as defined in 20 V.S.A. § 2056a.

(b) This section shall not be construed to prohibit the Court from providing electronic access to:

(1) court schedules of the Superior Court, or opinions of the Criminal Division of the Superior Court;

(2) State agencies in accordance with data dissemination contracts entered into under ~~Rule 6 of the Vermont Rules of Electronic Access to Court Records~~ Rule 12 of the Vermont Rules for Public Access to Court Records; or

(3) decisions, recordings of oral arguments, briefs, and printed cases of the Supreme Court.

Sec. 8. 12 V.S.A. § 4853a is amended to read:

§ 4853a. PAYMENT OF RENT INTO COURT; EXPEDITED HEARING

* * *

(h) If the tenant fails to pay rent into court in the amount and on the dates ordered by the court, the landlord shall be entitled to judgment for immediate possession of the premises. The court shall forthwith issue a writ of possession directing the sheriff of the county in which the property or a portion thereof is located to serve the writ upon the defendant and, not earlier than ~~five business~~ seven days after the writ is served, or, in the case of an eviction brought pursuant to 10 V.S.A. chapter 153, 30 days after the writ is served, to put the plaintiff into possession.

Sec. 9. 12 V.S.A. § 5531 is amended to read:

§ 5531. RULES GOVERNING PROCEDURE

(a) The Supreme Court, pursuant to section 1 of this title, shall make rules under this chapter applicable to such Court providing for a simple, informal, and inexpensive procedure for the determination, according to the rules of substantive law, of actions of a civil nature of which they have jurisdiction, other than actions for slander or libel and in which the plaintiff does not claim as debt or damage more than ~~$5,000.00~~ $10,000.00. Small claims proceedings shall be limited in accord with this chapter and the procedures made available under those rules. The procedure shall not be exclusive~~,~~ but shall be alternative to the formal procedure begun by the filing of a complaint.

(b) Parties may not request claims for relief other than money damages under this chapter. Nor may parties split a claim in excess of ~~$5,000.00~~ $10,000.00 into two or more claims under this chapter.

(c) In small claims actions where the plaintiff makes a claim for relief greater than $3,500.00, the defendant shall have the right to request a special assignment of a judicial officer. Upon making this request, a Superior judge or a member of the Vermont bar appointed pursuant to 4 V.S.A. § 22(b) shall be assigned to hear the action.

(d) Venue in small claims actions shall be governed by section 402 of this title.

(e) Notwithstanding this section or any other provision of law, the small claims court shall not have jurisdiction over actions for collection of any debt greater than $5,000.00 arising out of:

(1) a consumer credit transaction as defined in 15 U.S.C. § 1679a; or

(2) medical debt as defined in 18 V.S.A. § 9481.

Sec. 10. 12 V.S.A. § 5804 is amended to read:

§ 5804. OATH TO BE ADMINISTERED TO PETIT JURORS IN CRIMINAL CAUSES

You solemnly swear or affirm that, without respect to persons or favor of any ~~man~~ person, you will well and truly try and true deliverance make, between the State of Vermont and the ~~prisoner at the bar~~ defendant, whom you shall have in charge, according to the evidence given you in court and the laws of the State. So help you God, or under the penalty of perjury pursuant to the laws of the State of Vermont.

Sec. 11. 13 V.S.A. § 3016(c) is amended to read:

(c) A person who commits an act punishable under ~~33 V.S.A. § 2581(a) or (b)~~ 33 V.S.A. § 141(a) or (b) may not be prosecuted under this section.

Sec. 12. 13 V.S.A. § 7403 is amended to read:

§ 7403. APPEAL BY THE STATE

(a) In a prosecution for a misdemeanor, questions of law decided against the State shall be allowed and placed upon the record before final judgment. The court may pass the same to the Supreme Court before final judgment. The Supreme Court shall hear and determine the questions and render final judgment thereon, or remand the cause for further trial or other proceedings, as justice and the State of the cause may require.

(b) In a prosecution for a felony, the State shall be allowed to appeal to the Supreme Court any decision, judgment, or order dismissing an indictment or information as to one or more counts.

(c) In a prosecution for a felony, the State shall be allowed to appeal to the Supreme Court from a decision or order:

(1) granting a motion to suppress evidence;

(2) granting a motion to have confessions declared inadmissible; or

(3) granting or refusing to grant other relief where the effect is to impede seriously, although not to foreclose completely, continuation of the prosecution.

(d) In making this appeal, the attorney for the State must certify to the court that the appeal is not taken for purpose of delay and that:

(1) the evidence suppressed or declared inadmissible is substantial proof of a fact material in a proceeding; or

(2) the relief to be sought upon appeal is necessary to avoid seriously impeding such proceeding.

(e) The appeal in all cases shall be taken within seven business days after the decision, judgment, or order has been rendered. In cases where the defendant is detained for lack of bail, ~~he or she~~ the defendant shall be released pending the appeal upon such conditions as the court shall order unless bail is denied as provided in the Vermont Constitution or in other pending cases. Such appeals shall take precedence on the docket over all cases and shall be assigned for hearing or argument at the earliest practicable date and expedited in every way.

(f) For purposes of this section, "prosecution for a misdemeanor" and "prosecution for a felony" shall include youthful offender proceedings filed pursuant to 33 V.S.A. chapter 52A, and the State shall have the same right of appeal in those proceedings as it has in criminal proceedings under this section.

Sec. 13. 14 V.S.A. § 3098 is amended to read:

§ 3098. VULNERABLE NONCITIZEN CHILDREN

* * *

(i) Confidentiality. In any judicial proceedings in response to a request that the court make the findings necessary to support a petition for classification as a special immigrant juvenile, information regarding the child's immigration status, nationality, or place of birth that is not otherwise protected by State laws shall remain confidential. This information shall also be exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the information shall be available for inspection by the court, the child who is the subject of the proceeding, the parties, the attorneys for the parties, the child's counsel, and the child's guardian.

Sec. 14. 23 V.S.A. § 1213 is amended to read:

§ 1213. IGNITION INTERLOCK RESTRICTED DRIVER'S LICENSE OR CERTIFICATE; PENALTIES

* * *

(g) The holder of an ignition interlock RDL or certificate shall operate only motor vehicles equipped with an ignition interlock device, shall not attempt or take any action to tamper with or otherwise circumvent an ignition interlock device, and, after failing a random retest, shall pull over and shut off the vehicle's engine as soon as practicable. ~~A~~ Except as provided in subsection (k) of this section, a person who violates any provision of this section commits a criminal offense, shall be subject to the sanctions and procedures provided for in subsections 674(b)–(i) of this title, and, upon conviction, the applicable period prior to eligibility for reinstatement under section 1209a or 1216 of this title shall be extended by six months.

* * *

(k) A person shall not knowingly and voluntarily tamper with an ignition interlock device on behalf of another person or otherwise assist another person to circumvent an ignition interlock device. A person ~~adjudicated of a violation of~~ who violates this subsection shall be ~~subject to~~ assessed a civil penalty of ~~up to~~ not more than $500.00.

* * *

Sec. 15. 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:

* * *

(31) Violations of 23 V.S.A. § 1213(k) relating to tampering with an ignition interlock device on behalf of another person.

* * *

Sec. 16. 32 V.S.A. § 1591 is amended to read:

§ 1591. SHERIFFS AND OTHER OFFICERS

There shall be paid to sheriffs' departments and constables in civil causes and to sheriffs, deputy sheriffs, and constables for the transportation and care of prisoners, juveniles, and patients with a mental condition or psychiatric disability the following fees:

(1) Civil process:

(A) For serving each process, the fees shall be as follows:

(i) $10.00 for each reading or copy in which the officer is directed to make an arrest;

(ii) $75.00 upon presentation of each return of service for the service of papers relating to divorce, annulments, separations, or support complaints;

(iii) $75.00 upon presentation of each return of service for the service of papers relating to civil suits except as provided in ~~subdivisions (ii) and~~ subdivision (vii) of this subdivision (1)(A);

(iv) $75.00 upon presentation of each return of service for the service of a subpoena and shall be limited to that one fee for each return of service;

(v) for each arrest, $15.00;

(vi) for taking bail, $15.00;

(vii) on levy of execution or order of foreclosure: for each mile of actual travel in making a demand, sale, or adjournment, the rate allowed State employees under the terms of the prevailing contract between the State and the

Vermont State Employees' Association, Inc.; for making demand, $15.00 for posting notices, $15.00 each, and the rate per mile allowed State employees under the terms of the prevailing contract between the State and the Vermont State Employees' Association, Inc. for each mile of necessary travel; for notice of continuance, $15.00;

* * *

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 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:

* * *

(I) the Department for Children and Families; ~~and~~

(J) the Office of the Child, Youth, and Family Advocate for the purpose of carrying out the provisions in chapter 32 of this title;

(K) a service provider named in a disposition order adopted by the court, or retained by or contracted with a party to fulfill the objectives of the disposition order, including referrals for treatment and placement;

(L) a court diversion program or youth-appropriate community-based provider to whom the child is referred by the State's Attorney or the court, if the child accepts the referral; and

(M) other State agencies, treatment programs, service providers, or those providing direct support to the youth, for the purpose of providing supervision or treatment to the youth.

* * *

(d) Such records and files shall be available to:

(1) State's Attorneys and all other law enforcement officers in connection with record checks and other legal purposes; and

(2) the National Instant Criminal Background Check System in connection with a background check conducted on a person under 22 years of age pursuant to 18 U.S.C. § 922(t)(1)(C) and 34 U.S.C. § 40901(l).

* * *

Sec. 18. 33 V.S.A. § 5225 is amended to read:

§ 5225. PRELIMINARY HEARING; RISK ASSESSMENT

* * *

(b) Risk and needs screening.

(1) Prior to the preliminary hearing, the child shall be afforded an opportunity to undergo a risk and needs screening, which shall be conducted by the Department or by a community provider that has contracted with the Department to provide risk and need screenings for children alleged to have committed delinquent acts.

(2) If the child participates in such a screening, the Department or the community provider shall report the risk level result of the screening, the number and source of the collateral contacts made, and the recommendation for charging or other alternatives to the State's Attorney. The State's Attorney shall consider the results of the risk and needs screening in determining whether to file a charge. In lieu of filing a charge, the State's Attorney may refer a child directly to a youth-appropriate community-based provider that has been approved by the Department, which may include a community justice center or a balanced and restorative justice program. Referral to a community-based provider pursuant to this subsection shall not require the State's Attorney to file a charge. If the community-based provider does not accept the case or if the child fails to complete the program in a manner deemed satisfactory and timely by the provider, the child's case shall return to the State's Attorney for charging consideration.

(3) Information related to the present alleged offense directly or indirectly derived from the risk and needs screening or from other conversations with the Department or community-based provider shall not be used against the youth in the youth's case for any purpose, including impeachment or cross-examination, provided that the fact of the youth's participation in risk and needs screening may be used in subsequent proceedings.

(4) If a charge is brought in the Family Division, the risk level result shall be provided to the child's attorney.

(c) Referral to diversion. Based on the results of the risk and needs screening, if a child presents a low to moderate risk to reoffend, the State's Attorney shall refer the child directly to court diversion unless the State's Attorney states on the record why a referral to court diversion would not serve the ends of justice. If the court diversion program does not accept the case or if the child fails to complete the program in a manner deemed satisfactory and timely by the provider, the child's case shall return to the State's Attorney for charging consideration.

* * *

Sec. 19. 33 V.S.A. § 5284 is amended to read:

§ 5284. YOUTHFUL OFFENDER DETERMINATION AND DISPOSITION ORDER

* * *

(c)(1) If the court approves the motion for youthful offender treatment after an adjudication pursuant to subsection 5281(d) of this title, the court:

~~(1)~~(A) shall approve a disposition case plan and impose conditions of juvenile probation on the youth; and

~~(2)~~(B) may transfer legal custody of the youth to a parent, relative, person with a significant relationship with the youth, or Commissioner, provided that any transfer of custody shall expire on the youth's 18th birthday.

(2) Prior to the approval of a disposition case plan, the court may refer a child directly to a youth-appropriate community-based provider that has been approved by the department and which may include a community justice center or a balanced and restorative justice program. Referral to a community-based provider pursuant to this subdivision shall not require the court to place the child on probation. If the community-based provider does not accept the case or if the child fails to complete the program in a manner deemed satisfactory and timely by the provider, the child shall return to the court for further proceedings, including the imposition of the disposition order.

(d) The Department for Children and Families and the Department of Corrections shall be responsible for supervision of and providing services to the youth until ~~he or she~~ the youth reaches 22 years of age. Both Departments shall designate a case manager who together shall appoint a lead Department to have final decision-making authority over the case plan and the provision of

services to the youth. The youth shall be eligible for appropriate community-based programming and services provided by both Departments.

Sec. 20. 13 V.S.A. chapter 76A is added to read:

CHAPTER 76A. DOMESTIC TERRORISM

§ 1703. DOMESTIC TERRORISM

(a) As used in this section:

(1) "Domestic terrorism" means engaging in or taking a substantial step to commit a violation of the criminal laws of this State with the intent to:

(A) cause death or serious bodily injury to multiple persons; or

(B) threaten any civilian population with mass destruction, mass killings, or kidnapping.

(2) "Serious bodily injury" shall have the same meaning as in section 1021 of this title.

(3) "Substantial step" means conduct that is strongly corroborative of the actor's intent to complete the commission of the offense.

(b) A person who willfully engages in an act of domestic terrorism shall be imprisoned for not more than 20 years or fined not more than $50,000.00, or both.

(c) It shall be an affirmative defense to a charge under this section that the actor abandoned the actor's effort to commit the crime or otherwise prevented its commission under circumstances manifesting a complete and voluntary renunciation of the actor's criminal purpose.

Sec. 21. 13 V.S.A. § 1703 is amended to read:

~~§ 1703. DOMESTIC TERRORISM~~

~~(a) As used in this section:~~

~~(1) "Domestic terrorism" means engaging in or taking a substantial step to commit a violation of the criminal laws of this State with the intent to:~~

~~(A) cause death or serious bodily injury to multiple persons; or~~

~~(B) threaten any civilian population with mass destruction, mass killings, or kidnapping.~~

~~(2) "Serious bodily injury" shall have the same meaning as in section 1021 of this title.~~

~~(3) "Substantial step" means conduct that is strongly corroborative of the actor's intent to complete the commission of the offense.~~

~~(b) A person who willfully engages in an act of domestic terrorism shall be imprisoned for not more than 20 years or fined not more than $50,000.00, or both.~~

~~(c) It shall be an affirmative defense to a charge under this section that the actor abandoned his or her effort to commit the crime or otherwise prevented its commission under circumstances manifesting a complete and voluntary renunciation of his or her criminal purpose.~~ [Repealed.]

Sec. 22. 20 V.S.A. § 1940(b) is amended to read:

(b) If any of the circumstances in subsection (a) of this section occur, the court with jurisdiction or, as the case may be, the Governor, shall so notify the Department, and the person's DNA record in the State DNA database and CODIS and the person's DNA sample in the State DNA data bank shall be removed and destroyed. The Laboratory shall purge the DNA record and all other identifiable information from the State DNA database and CODIS and destroy the DNA sample stored in the State DNA data bank. If the person has more than one entry in the State DNA database, CODIS, or the State DNA data bank, only the entry related to the dismissed case shall be deleted. The Department shall notify the person upon completing its responsibilities under this subsection, by ~~certified~~ mail addressed to the person's last known address.

Sec. 23. 23 V.S.A. § 1213 is amended to read:

§ 1213. IGNITION INTERLOCK RESTRICTED DRIVER'S LICENSE OR CERTIFICATE; PENALTIES

(a)(1) An individual whose license or privilege to operate is suspended or revoked under this subchapter may operate a motor vehicle, other than a commercial motor vehicle as defined in section 4103 of this title, if issued a valid ignition interlock RDL or ignition interlock certificate. Upon application, the Commissioner shall issue an ignition interlock RDL or ignition interlock certificate to an individual otherwise licensed or eligible to be licensed to operate a motor vehicle if:

(A) the individual submits a $125.00 application fee;

(B) the individual submits satisfactory proof of installation of an approved ignition interlock device in any motor vehicle to be operated and of financial responsibility as provided in section 801 of this title;

(C) at least one year has passed since the suspension or revocation was imposed if the offense involved death or serious bodily injury to an individual other than the operator; ~~and~~

(D) the applicable period set forth in this subsection has passed since the suspension or revocation was imposed if the offense involved refusal of an enforcement officer's reasonable request for an evidentiary test:

(i) 30 days for a first offense;

(ii) 90 days for a second offense; or

(iii) one year for a third or subsequent offense; and

(E) the individual is serving a suspension pursuant to section 2506 if the individual was charged with a violation of subdivision 1201(a) of this title and pled guilty to a reduced charge of negligent operation under section 1091 of this title, notwithstanding any points assessed against the individual's driving record for the negligent operation offense under section 2502 of this title.

* * *

Sec. 24. 2017 Acts and Resolves No. 142, Sec. 5, as amended by 2021 Acts and Resolves No. 65, Sec. 4, and further amended by 2021 Acts and Resolves No. 147, Sec. 33, is further 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, ~~2023~~ 2025.

Sec. 25. SENTENCING COMMISSION REPORT

On or before December 15, 2023, the Vermont Sentencing Commission shall report to the Senate and House Committees on Judiciary on whether any modifications should be made to the definitions of stalking in 13 V.S.A. § 1061 or 15 V.S.A. § 5131.

Sec. 26. 10 V.S.A. § 8222 is added to read:

§ 8222. ACCRUAL OF ENVIRONMENTAL CONTAMINATION CLAIMS

(a) A common-law or statutory claim based on environmental contamination shall accrue so long as the contamination remains on or in an affected property or natural resource.

(b) As used in this section:

(1) "Environmental contamination" means any hazardous material or hazardous waste as defined in 10 V.S.A. § 6602, or other substance or material that has the potential to adversely affect human health or the environment (A) on or in an affected property, including in buildings or other structures, or (B) on or in a natural resource.

(2) "Natural resource" has the same meaning as in 10 V.S.A. § 6615d(a)(8).

(c) Nothing in this section shall shorten or otherwise limit any later accrual date that may apply under other source of law.

(d)(1) Except as otherwise provided in this subsection, and notwithstanding 1 V.S.A. §§ 213 and 214, or any other provision of law, this section shall apply to:

(A) any action or proceeding commenced on or after the effective date of this act; and

(B) any action or proceeding that is pending on the effective date of this act.

(2) This section shall not revive claims subject to a final, nonappealable judgment rendered prior to the effective date of this act.

(3) This section shall not apply to a criminal claim whose limitations period expired prior to the effective date.

Sec. 27. 10 V.S.A. § 8015 is amended to read:

§ 8015. STATUTE OF LIMITATIONS

Notwithstanding any other provision of law, actions brought under this chapter or chapter 211 of this title shall be commenced within the later of:

(1) six years from the date the violation is or reasonably should have been discovered; ~~or~~

(2) six years from the date a continuing violation ceases; or

(3) six years from the date of accrual under section 8222 of this title.

Sec. 28. 13 V.S.A. § 5451 is amended to read:

§ 5451. CREATION OF COMMISSION

(a) The Vermont Sentencing Commission is established for the purpose of overseeing criminal sentencing practices in the State, reducing geographical disparities in sentencing, and making recommendations regarding criminal sentencing to the General Assembly.

(b) The Commission shall consist of the following members:

* * *

(4) the Chair of the Senate Committee on Judiciary or designee;

(5) the Chair of the House Committee on Judiciary or designee;

* * *

Sec. 29. 13 V.S.A. § 3259 is amended to read:

§ 3259. SEXUAL EXPLOITATION OF A PERSON WHO IS BEING INVESTIGATED, DETAINED, ARRESTED, OR IS IN THE CUSTODY OF A LAW ENFORCEMENT OFFICER

(a) No law enforcement officer shall engage in ~~a sexual act~~ sexual conduct as defined in section 2821 of this title with a person whom the officer is detaining, arresting, or otherwise holding in custody or who the officer knows is being detained, arrested, or otherwise held in custody by another law enforcement officer. For purposes of this section "detaining" and "detained" include a traffic stop or questioning pursuant to an investigation of a crime.

(b)(1) No law enforcement officer shall engage in sexual conduct as defined in section 2821 of this title with a person whom the officer:

(A) is investigating pursuant to an open investigation;

(B) knows is being investigated by another law enforcement officer pursuant to an open investigation; or

(C) knows is a victim or confidential informant in any open investigation.

(2) This subsection shall not apply if the law enforcement officer was engaged in a consensual sexual relationship with the person prior to the officer's knowledge that the person was a suspect, victim, or confidential informant in an open investigation.

(c) A person who violates subsection (a) or (b) of this section shall be imprisoned for not more than five years or fined not more than $10,000.00, or both.

Sec. 30. 7 V.S.A. § 1005(a)(1) is amended to read:

(a)(1) A person under 21 years of age shall not possess, purchase, or attempt to purchase tobacco products, tobacco substitutes, or tobacco paraphernalia unless:

(A) the person is an employee of a holder of a tobacco license and is in possession of tobacco products, tobacco substitutes, or tobacco paraphernalia to effect a sale in the course of employment; or

(B) the person is in possession of tobacco products or tobacco paraphernalia in connection with Indigenous cultural tobacco practices.

Sec. 31. 15 V.S.A. § 1105 is amended to read:

§ 1105. SERVICE

* * *

(b)(1) A defendant who attends a hearing held under section 1103 or 1104 of this title at which a temporary or final order under this chapter is issued and who receives notice from the court on the record that the order has been issued shall be deemed to have been served. A defendant notified by the court on the record shall be required to adhere immediately to the provisions of the order. ~~However, even when the court has previously notified the defendant of the order, the court shall transmit the order for additional service by a law enforcement agency.~~ The clerk shall mail a copy of the order to the defendant at the defendant's last known address.

* * *

Sec. 32. VERMONT SENTENCING COMMISSION REPORT ON WHETHER TO ELIMINATE CASH BAIL

(a)(1) The Vermont Sentencing Commission, in consultation with the entities designated in subdivision (2) of this subsection, shall identify the conditions that would be required to move toward the elimination of the use of cash bail for the purpose of mitigating risk of flight from prosecution and make a recommendation as to whether cash bail should be eliminated in Vermont. If the Commission proposes to eliminate cash bail, it shall provide a proposal that does so.

(2) The Commission shall solicit input from:

(A) the Vermont Network Against Domestic and Sexual Violence;

(B) the Community Justice Unit of the Office of the Attorney General;

(C) Vermont Legal Aid;

(D) the Vermont Office of Racial Equity;

(E) the Vermont chapter of the American Civil Liberties Union;

(F) the Vermont Freedom Fund; and

(G) national experts on bail reform.

(b) The Commission shall report its findings and recommendations to the General Assembly on or before December 1, 2023.

Sec. 33. EFFECTIVE DATE

This act shall take effect on passage.

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 inserting a new Sec. 33 to read as follows:

Sec. 33. EXECUTIVE DIRECTOR OF DEPARTMENT OF STATE'S ATTORNEYS AND SHERIFFS; AUTHORITY TO REASSIGN FRANKLIN COUNTY STATE'S ATTORNEY'S OFFICE EMPLOYEES

The Executive Director of the Department of State's Attorneys and Sheriffs is authorized to reassign the supervision of employees in the Franklin County State's Attorney's Office to other State's Attorneys or to the Executive Director's Office until the Executive Committee of the Department of State's Attorneys and Sheriffs determines that the reassignment is no longer necessary.

And by renumbering the remaining section to be numerically correct.

Pending the question, Shall the Senate concur in the House proposal of amendment with further proposal of amendment?, consideration was postponed to the next legislative day.

Committee of Conference Appointed

S. 6.

An act relating to law enforcement interrogation policies.

Was taken up.

Pursuant to the request of the Senate, the President announced the appointment of

Senator Sears
Senator Hashim
Senator Norris

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

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H. 479, H. 489, H.504, H. 505, H. 506, H. 507, S. 4, S. 6, S. 47, S. 89, S. 95.

Adjournment

On motion of Senator Baruth, the Senate adjourned until ten o'clock in the forenoon on Thursday, May 11, 2023.

THURSDAY, MAY 11, 2023

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. 61

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

Mr. President:

I am directed to inform the Senate that:

The House has considered bills originating in the Senate of the following titles:

S. 135. An act relating to the establishment of VT Saves.

S. 137. An act relating to energy efficiency modernization.

And has passed the same in concurrence.

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

S. 100. An act relating to housing opportunities made for everyone.

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 proposals of amendment to the following House bills:

H. 127. An act relating to sports wagering.

H. 305. An act relating to professions and occupations regulated by the Office of Professional Regulation.

And has severally concurred therein.

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

S. 17. An act relating to sheriff reforms.

S. 99. An act relating to miscellaneous changes to laws related to vehicles.

And has severally concurred therein.

The Governor has informed the House that on May 10, 2023, he approved and signed a bill originating in the House of the following title:

H. 89. An act relating to civil and criminal procedures concerning legally protected health care activity.

Bill Referred to Committee on Appropriations

H. 480.

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 property valuation and reappraisals.

Bill Introduced

Senate bill of the following title was introduced, read the first time and referred:

S. 155.

By Senators Vyhovsky, Gulick and Watson,

An act relating to eliminating life without parole and implementing second look sentencing.

To the Committee on Judiciary.

Bill Passed in Concurrence with Proposal of Amendment

H. 158.

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

An act relating to the beverage container redemption system.

Bill Passed in Concurrence

H. 175.

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

An act relating to modernizing the Children and Family Council for Prevention Programs.

Bill Passed in Concurrence with Proposal of Amendment

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

H. 227. An act relating to the Vermont Uniform Power of Attorney Act.

Proposal of Amendment; Bill Passed in Concurrence with Proposals of Amendment

H. 270.

House bill entitled:

An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

Was taken up.

Thereupon, pending third reading of the bill, Senator Harrison moved to amend the Senate proposal of amendment by striking out Sec. 8, 7 V.S.A. § 901, in its entirety and inserting in lieu thereof the following:

Sec. 8. 7 V.S.A. § 901 is amended to read:

§ 901. GENERAL PROVISIONS

(a) Except as otherwise permitted by law, a person shall not engage in the cultivation, preparation, processing, packaging, transportation, testing, or sale of cannabis or cannabis products without obtaining a license from the Board.

* * *

(d)(1) There shall be ~~six~~ seven types of licenses available:

(A) a cultivator license;

(B) a propagator license;

(C) a wholesaler license;

~~(C)~~(D) a product manufacturer license;

~~(D)~~(E) a retailer license;

~~(E)~~(F) a testing laboratory license; and

~~(F)~~(G) an integrated license.

(2)(A) The Board shall develop tiers for:

(i) cultivator licenses based on the plant canopy size of the cultivation operation or plant count for breeding stock; and

(ii) retailer licenses.

(B) The Board may develop tiers for other types of licenses.

(3)(A) Except as provided in subdivisions (B) and (C) of this subdivision (3), an applicant and its affiliates may obtain a maximum of one type of each type of license as provided in subdivisions ~~(1)(A)–(E)~~ (1)(A)–(F) of this subsection (d). Each license shall permit only one location of the establishment.

(B) An applicant and its affiliates that control a dispensary registered on April 1, 2022 may obtain one integrated license provided in subdivision ~~(1)(F)~~ (1)(G) of this subsection (d) or a maximum of one of each type of license provided in subdivisions ~~(1)(A)–(E)~~ (1)(A)–(F) of this subsection (d). An integrated licensee may not hold a separate cultivator, propagator, wholesaler, product manufacturer, retailer, or testing laboratory license, and no applicant or its affiliates that control a dispensary shall hold more than one integrated license. An integrated license shall permit only one location for each of the types of activities permitted by the license: cultivation, propagator, wholesale operations, product manufacturing, retail sales, and testing.

(C) An applicant and its affiliates may obtain multiple testing laboratory licenses.

* * *

(h)~~(1) The following records shall be exempt from public inspection and copying under the Public Records Act and shall be confidential:~~

~~(A) any record in an application for a license relating to security, public safety, transportation, or trade secrets, including information provided in an operating plan pursuant to subdivision 881(a)(1)(B) of this title; and~~

~~(B) any licensee record relating to security, public safety, transportation, trade secrets, or employees.~~

~~(2) Notwithstanding 1 V.S.A. § 317(e), the Public Records Act exemption created in this subsection shall continue in effect and shall not be repealed through operation of 1 V.S.A. § 317(e).~~ [Repealed.]

Which was agreed to.

Thereupon, Senator Vyhovsky moved to amend the Senate proposal of amendment by adding a Sec. 24a to read as follows:

Sec. 24a. RACIAL DISPARITIES IN THE CRIMINAL AND JUVENILE JUSTICE SYSTTEM ADVISORY PANEL REPORTING; RACIAL EQUITY AND COMMUNITY REINVESTMENT

(a) The Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel shall collaborate with local and national stakeholders to study the administration and funding of the Cannabis Business Development Fund and gather qualitative and quantitative data informing the establishment and funding of community reinvestment for individuals and communities disproportionately impacted by the criminalization of cannabis. The study shall do each of the following:

(1) Identify in an aggregated format the demographics of individuals who have been disproportionately impacted by cannabis prohibition in Vermont and nationally and identify communities most heavily impacted, while not disclosing the identity of any particular individual.

(2) Identify the ways in which such individuals and communities have been disproportionately impacted by cannabis prohibition in Vermont, including rates of poverty; access to employment, housing, and education; and involvement with the criminal justice system.

(3) Any other issues related to the impacts of the criminalization of cannabis in Vermont and the United States that will improve racial equity and community reinvestment in Vermont.

(b) The Panel shall convene not less than four times to complete its work.

(c) The Panel shall provide recommendations on how to administer and fund the Cannabis Business Development Fund and fund and administer reinvestment in individuals and communities disproportionately harmed by cannabis criminalization to the Senate Committee on Economic Development, Housing and General Affairs and on Finance on or before January 15, 2024.

Which was agreed to.

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

Bills Passed in Concurrence

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

H. 508. An act relating to approval of an amendment to the ranked choice voting provisions of the charter of the City of Burlington.

H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

Proposal of Amendment; Third Reading Ordered

H. 125.

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 as follows:

First: In Sec. 2a, government accountability; Summer Government Accountability Committee; report, by striking out subsection (c) in its entirety and inserting in lieu thereof a new subsection (c) to read as follows:

(c) Powers and duties. The Summer Government Accountability Committee shall consider the issue of accountability in the Legislative Branch, including the following:

(1) ways to ensure that the Legislative Branch is accountable to the people of Vermont by creating new processes and metrics by which to measure accountability;

(2) ways to ensure equity in pay across commissions, boards, and joint legislative committees based on the nature of the service and required skill level;

(3) ways to ensure equitable participation on boards and commissions and in any public engagement process mandated by the State or General Assembly by providing appropriate compensation and material support; and

(4) codifying mechanisms for controlling and restraining the increasing number of commissions, boards, and joint legislative committees.

Second: By striking out Sec. 4, Vermont Pension Investment Commission, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 3 V.S.A. § 522 is amended to read:

§ 522. VERMONT PENSION INVESTMENT COMMISSION

* * *

(h) Compensation and reimbursements. Members and alternates of the Commission who are not public employees shall be entitled to per diem compensation as ~~set forth~~ permitted 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~~ recommended by the

other members of the Commission and approved through the State budget process.

(i) 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)~~(2) The Attorney General shall serve as legal advisor to the Commission.

Third: By adding a reader assistance heading and a new section to be Sec. 4a to read as follows:

* * * Commission on Women Quorum * * *

Sec. 4a. 3 V.S.A. § 5025 is amended to read:

§ 5025. THE COMMISSION ON WOMEN

* * *

(e) ~~Nine members~~ A majority of the currently appointed members of the Commission shall constitute a quorum ~~of the Commission~~. Once a quorum has been established, the vote of a majority of the members present at the time of the vote shall be an act of the Commission.

* * *

Fourth: By adding a reader assistance heading and two new sections to be Secs. 132a and 132b to read as follows:

* * * Regional Emergency Management Committees Quorum * * *

Sec. 132a. 20 V.S.A. § 6 is amended to read:

§ 6. LOCAL ORGANIZATION FOR EMERGENCY MANAGEMENT

* * *

(d) Regional emergency management committees shall be established by the Division of Emergency Management.

* * *

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

* * *

(C) Meeting quorum requirement. A regional emergency management committee may vote annually, at the committee's final meeting of the calendar year, to modify its quorum requirement for meetings in the subsequent year; provided, however, that the quorum shall be not fewer than 20 percent of voting members.

* * *

Sec. 132b. INTERIM QUORUM

Notwithstanding 20 V.S.A. § 6(d)(3)(C), until December 31, 2023:

(1) not fewer than five voting members of a regional emergency management committee shall constitute a quorum for the conduct of a meeting; and

(2) a regional emergency management committee may vote at any time to modify its quorum requirement for meetings in 2024; provided, however, that the quorum shall be not fewer than 20 percent of voting members.

Fifth: By adding a reader assistance heading and one new section to be Sec. 139a to read as follows:

* * * State Ethics Commission Report on Municipal Ethics * * *

Sec. 139a. REPORT ON MUNICIPAL ETHICS

On or before January 15, 2024, the State Ethics Commission shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with its recommendations for creating a framework for municipal ethics in Vermont. The report shall include a summary of the issues related to creating a framework for municipal ethics in Vermont and a summary of any relevant input received by the Commission in drafting the report. The report shall include specific recommendations on how to best provide cities and towns with informational resources about basic ethics practices. In drafting the report, the Commission may consult with any person it deems necessary to conduct a full and complete analysis of the issue of municipal ethics, including the Vermont League of Cities and Towns and the Office of the Secretary of State.

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

Senator Perchlik, for the Committee on Appropriations, to which the bill was referred, reported recommending that the bill ought to pass in concurrence with proposals 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 proposals of amendment were agreed to, and third reading of the bill was ordered.

Proposals of Amendment; Third Reading Ordered

H. 472.

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

An act relating to miscellaneous agricultural subjects.

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

First: In Sec. 7, 6 V.S.A. § 3024, in the first sentence, after "~~his or her~~" and before "the Secretary's", by striking out "or"

Second: In Sec. 8, 6 V.S.A. § 3025, in the first sentence, after "~~his or her~~" and before "the Secretary's", by striking out "or"

Third: In Sec. 13, 6 V.S.A. § 3031, in the first sentence, after "~~his or her authorized~~" and before "Secretary's", by inserting the

And that the bill ought to pass in concurrence with such proposals 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 proposals of amendment as recommended by the Committee on Agriculture.

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

Thereupon, the bill was read the second time by title only pursuant to Rule 43, and the proposals of amendment were agreed to.

Thereupon, pending the question, Shall the bill be read at third time?, Senator Perchlik moved to amend the proposal of amendment as follows:

By striking out Sec. 23, effective date, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

* * * Sales Tax Exemption; Advanced Wood Boilers * * *

Sec. 23. 2018 Acts and Resolves No. 194, Sec. 26b(a), as amended by 2019 Acts and Resolves No. 83, Sec. 14, is further amended to read:

(a) 32 V.S.A. ~~§~~ §§ 9741(52) (sales tax exemption for advanced wood boilers) and 9706(ll) (statutory purpose; sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2023~~ 2024.

* * * Effective Dates * * *

Sec. 24. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except Sec. 23 (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2023.

Which was agreed to.

Thereupon, third reading was ordered.

House Proposal of Amendment Concurred In

S. 115.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous agricultural subjects.

Was taken up.

The House proposes to the Senate to amend the bill by striking out Secs. 8 and 9 (report on municipal regulation of stormwater) in their entireties and inserting in lieu thereof new Secs. 8 and 9 to read as follows:

Sec. 8. 24 V.S.A. § 4414(9) is amended to read:

(9) Stormwater management and control. Any municipality may adopt bylaws to implement stormwater management and control consistent with the program developed by the Secretary of Natural Resources pursuant to 10 V.S.A. § 1264. Municipalities shall not charge an impervious surface fee or other stormwater fee under this subdivision or under other provisions of this title on property regulated under the Required Agricultural Practices for discharges of agricultural waste or agricultural nonpoint source pollution.

Sec. 9. IMPLEMENTATION PROSPECTIVE APPLICATION

Sec. 8 (municipal stormwater fees on agricultural nonpoint source pollution) of this act shall apply prospectively and shall not require a municipality to refund stormwater fees assessed prior to the effective date of this act on properties or activities that are exempt from such fees under 24 V.S.A. § 4414(9) as amended by this act.

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

Rules Suspended; Bills Passed in Concurrence with Proposals of Amendment

H. 125.

On motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to boards and commissions.

Was placed in 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

H. 472.

On motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous agricultural subjects.

Was placed in 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.

House Proposals of Amendment Concurred In

S. 112.

House proposal of amendment to Senate bill entitled:

An act relating to miscellaneous subjects related to the Public Utility Commission.

Was taken up.

The House proposes to the Senate to amend the bill by adding a Sec. 10a to read as follows:

Sec. 10a. RENEWABLE ENERGY STANDARD WORKING GROUP

(a) Established. The Legislative Working Group on Renewable Energy Standard Reform is created to draft legislation to be considered by the General Assembly during the 2024 Legislative session.

(b) Membership.

(1) The Legislative Working Group on Renewable Energy Standard Reform will be convened by two members from the House appointed by the Speaker of the House and two members of the Senate appointed by the Committee on Committees. One member from the House and one member from the Senate shall be the co-chairs of the Work Group.

(2) The Working Group shall also be made up of one representative from each of the following: Green Mountain Power, Burlington Electric Department, Vermont Public Power Supply Authority, Washington Electric Coop, Vermont Electric Coop, Vermont Public Interest Research Group, Renewable Energy Vermont, Conservation Law Foundation, Vermont Electric Power Company, Vermont Housing and Finance Agency, Vermont Natural Resources Council, GlobalFoundries, Associated Industries of Vermont, and the Sierra Club. Stowe Electric and Hyde Park Electric may each name a representative to the Working Group if they choose.

(c) Duties. In addition to submitting draft legislation, the Working Group shall report on the following:

(1) whether any changes to Vermont's existing renewable energy requirements, or other energy policies, are needed to increase grid stability, resiliency, modernization, and reliability;

(2) identifying any barriers to moving to a 100 percent renewable standard for all electrical utilities by 2030;

(3) recommending cost effective procurement policies to increase new renewable energy, storage, and flexible load management to offset increasing in-State load, improve grid stability and resiliency, and that consider integrated resource planning electric load growth projections;

(4) whether increasing the requirement for out-of-state renewable procurements within or delivered into the ISO-New England territory can ensure affordable electric rates;

(5) evaluating the impact legislative recommendations may have on Tier III implementation;

(6) evaluating the impact recommended legislative changes to procurement programs will have on Vermont jobs and the Vermont economy;

(7) how current programs impact environmental justice focus populations, households with low income, and households with moderate income and how a revised Renewable Energy Standard can ensure that benefits and burdens are distributed equitably; and

(8) how any changes to the Renewable Energy Standard will address the inequity of distribution of benefits of renewables between different residential properties.

(d) Assistance.

(1) The Working Group shall have legal assistance from the Office of Legislative Council and administrative assistance from the Office of Legislative Operations.

(2) On or before July 15, 2023, the Joint Fiscal Office may retain the services of one or more independent third parties to provide facilitation and mediation services to the Working Group, and data analysis recommendations at the direction of the legislative members.

(3) The Department of Public Service shall be invited to advise the Working Group on the results of its ongoing public process to review the Renewable Energy Standard and any other items as needed.

(e) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Working Group serving in the legislator's 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 eight meetings.

(2) Other members of the Working Group who are not otherwise compensated by their employer shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more than eight meetings.

(3) The payments under this subsection (e) shall be made from monies appropriated by the General Assembly.

(f) Report. The Working Group shall submit draft legislation and a report on its deliberations and findings to the House Committee on Environment and Energy and Senate Committee on Natural Resources and Energy by December 1, 2023. Working Group members may submit minority opinions that shall be included with the report containing the draft legislation.

(g) Appropriation. In fiscal year 2024, it is the intent of the General Assembly to appropriate funds if available from the General Fund to the Joint Fiscal Office to hire the consultants pursuant to this section.

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

Consideration Resumed; House Proposal of Amendment Concurred In

S. 33.

Consideration resumed on Senate bill entitled:

An act relating to miscellaneous judiciary procedures.

Was taken up.

Thereupon, Senator Sears requested and granted leave to withdraw amendment.

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

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

Katims, Robert of Hinesburg - Superior Judge - April 14, 2023 to March 31, 2028.

Was confirmed by the Senate on a roll call, Yeas 28, 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: Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Brock, Gulick.

The nomination of

Moore, Julie S. of Middlesex - Secretary, Agency of Natural Resources - March 1, 2023 to February 28, 2025.

Was confirmed by the Senate on a roll call, Yeas 28, 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: Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Brock, Gulick.

The nomination of

Corbett, H. Dickson of East Thetford - Superior Judge - April 14, 2023 to March 31, 2025.

Was confirmed by the Senate 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: Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

The Senator absent and not voting was: Brock.

Th nomination of

Sherman, Abbie of Randolph - Executive Director, Vermont Economic Progress Council - April 3, 2023 to March 31, 2027.

Was confirmed by the Senate on a roll call, Yeas, 28, 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: Baruth, Bray, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Those Senators absent and not voting were: Brock, Hashim.

Rules Suspended; Action Messaged

On motion of Senator Baruth, the rules were suspended, and the action on the following bills was ordered messaged to the House forthwith:

S. 33, S.112, S.115.

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were ordered messaged to the House forthwith:

H. 125, H. 175, H.227, H.270, H. 472.

Recess

On motion of Senator Baruth the Senate adjourned until three o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Message from the House No. 62

A message was received from the House of Representatives by Mr. Nigel Hicks-Tibbles, its First Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

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

H. 470. An act relating to miscellaneous amendments to alcoholic beverage laws.

H. 493. An act relating to capital construction and State bonding.

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

House Proposal of Amendment Concurred In with Further Proposals of Amendment

S. 138.

House proposal of amendment to Senate bill entitled:

An act relating to school safety.

Was taken up.

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

First: In Sec. 1, 16 V.S.A. § 1481, in subsection (a), by striking out "The policy shall require options-based response drills, including fire drills, to be conducted following the guidance issued by the Vermont School Safety Center jointly with the Vermont School Crisis Planning Team" and inserting in lieu thereof "The policy shall require age-appropriate options-based response drills, including fire drills, to be conducted following the guidance issued by the Vermont School Safety Center jointly with the Vermont School Crisis Planning Team and shall require notification to parents and guardians not later than one school day before an options-based response drill is conducted"

Second: By striking out Sec. 4, 16 V.S.A. § 1485, in its entirety and inserting in lieu thereof a new Sec. 4 to read as follows:

Sec. 4. 16 V.S.A. § 1485 is added to read:

§ 1485. BEHAVIORAL THREAT ASSESSMENT TEAMS

(a) Legislative intent.

(1) It is the intent of the General Assembly that behavioral threat assessment teams be used for the purpose of preventing instances of severe and significant targeted violence against schools and school communities, such as threats related to weapons and mass casualties and bomb threats. The goal of these teams is to assess and appropriately respond to potential reported threats to school communities.

(2) It is the intent of the General Assembly that use of behavioral threat assessment teams shall not contribute to increased school exclusion or unnecessary referrals of students to the criminal justice and school discipline systems and shall not disproportionately impact students from historically marginalized backgrounds, including students with disabilities.

(b) Policy.

(1) As used in this section, "behavioral threat assessment" means a fact-based, systematic process designed to identify, gather information about, assess, and manage dangerous or violent situations.

(2) The Secretary of Education, in consultation with stakeholder groups, including the Commissioner of the Department for Children and Families, Vermont School Boards Association, and Vermont Legal Aid Disability Law Project, shall develop, and from time to time update, a model behavioral threat assessment team policy and procedures. In developing the model policy and

procedures, the Secretary shall follow guidance issued by the Vermont School Safety Center on best practices in the use of behavioral threat assessment teams. The model policy and procedure shall require law enforcement contact in the case of imminent danger to individuals or the school community and shall address the following:

(A) the criteria that shall be used to assess a student's threatening behavior;

(B) the process for reporting threatening behavior;

(C) the civil rights and due process protections to which students are entitled in school settings;

(D) when and how to refer to or involve law enforcement in the limited instances when such referral is appropriate, which shall not include student behavior that is a violation of the school conduct code but that is not also a crime; and

(E) the support resources that shall be made available, including mental health first aid, counseling, and safety plans.

(3) Each school district and each approved or recognized independent school shall develop, adopt, and ensure implementation of a policy and procedures for use of behavioral threat assessment teams that is consistent with and at least as comprehensive as the model policy and procedures developed by the Secretary. Any school board or independent school that fails to adopt such a policy or procedures shall be presumed to have adopted the most current model policy and procedures published by the Secretary.

(4) The Vermont School Safety Center shall issue guidance on the best practices of behavioral threat assessment teams. The guidance shall include best practices on bias and how to reduce incidents of bias, developed in consultation with the Office of Racial Equity.

(c) Discipline and student support.

(1) Consistent with the legislative intent in subsection (a) of this section, if a behavioral threat assessment team recommends, in addition to providing support resources, any action that could result in removal of a student from the student's school environment pending or after a behavioral threat assessment, the recommendation shall only be carried out in a manner consistent with existing law, regulation, and associated procedures on student discipline pursuant to section 1162 of this title and Agency of Education, Pupils (CVR 22-000-009), as well as federal and State law regarding students with disabilities or students who require additional support.

(2) Behavioral threat assessments shall be structured and used in a way that is intended to minimize interaction with the criminal justice system. Law enforcement referral and involvement may be appropriate only in cases involving threats, which shall not include student behavior that is a violation of the school conduct code but that is not also a crime.

(d) Training.

(1) Each supervisory union, supervisory district, and approved or recognized independent school shall ensure behavioral threat assessment team members receive training at least annually in best practices of conducting behavioral threat assessments, as well as bias training. The annual training shall include the following topics:

(A) the rules governing exclusionary discipline, Agency of Education, Pupils (CVR 22-000-009);

(B) the purpose, use, and proper implementation of the manifestation determination review process;

(C) Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; and other civil rights laws;

(D) the negative consequences of exclusion from school;

(E) the impact of trauma on brain development; and

(F) group bias training, specifically focused on bias in carrying out the duties of the behavioral threat assessment team.

(2) The Agency of Education, in consultation with the Department of Public Safety, shall develop guidance and resources to assist supervisory unions, supervisory districts, and independent schools in providing the annual training required under this subsection. In developing the guidance on bias training for behavioral threat assessment teams, the Agency and Department shall consult with the Vermont Office of Racial Equity.

(e) Data reporting and collection. Annually, each supervisory union, supervisory district, and approved or recognized independent school shall report data related to completion of and outcomes of all behavioral threat assessments and manifestation determination reviews to the Agency in a format approved by the Secretary. At a minimum, the annual report shall include:

(1) the names of the members of the behavioral assessment team;

(2) the number of behavioral threat assessments and manifestation determination reviews conducted in the preceding year and for each assessment or review conducted:

(A) a description of the behavior requiring an assessment;

(B) the age, grade, race, gender, disability status, and eligibility for free or reduced-price school meals of the student requiring the assessment; and

(C) the results of each assessment or review;

(3) the number of students subjected to more than one behavioral threat assessment or manifestation determination review;

(4) the amount of time a student is out of school pending completion of a behavioral threat assessment;

(5) information regarding whether a student subject to a behavioral threat assessment was also subject to exclusionary discipline for the same behavior, including the length of such discipline;

(6) information regarding whether law enforcement was involved in a behavioral threat assessment;

(7) information regarding whether the threatening behavior was also reported to law enforcement; and

(8) any additional data the Secretary of Education determines may be necessary.

Third: By striking out Sec. 5, effective dates, in its entirety and inserting in lieu thereof a new Sec. 5 to read as follows:

Sec. 5. BEHAVIORAL THREAT ASSESSMENT TEAMS; IMPLEMENTATION

(a) Creation of model policy.

(1) On or before November 1, 2023, the Agency of Education shall issue for public comment a draft model policy and procedures for use by behavioral threat assessment teams required pursuant to 16 V.S.A. § 1485(b)(2).

(2) On or before December 15, 2023, the Agency shall issue, publicly post, and communicate to school districts and independent schools the final model policy and procedures required pursuant to 16 V.S.A. § 1485(b)(2).

(3) School districts and independent schools currently using behavioral threat assessment teams shall update and implement a policy on the use of

behavioral threat assessment teams consistent with the model policy created pursuant to 16 V.S.A. § 1485(b)(2) not later than the 2024–2025 school year.

(b) Establishment of behavioral threat assessment teams; training.

(1) School districts and independent schools not already using behavioral threat assessment teams shall take all actions necessary to establish a team not later than July 1, 2025, including:

(A) identifying and training team members, which shall include group bias training and the training requirements contained in 16 V.S.A. § 1485(d);

(B) adopting a behavioral threat assessment team policy;

(C) establishing procedures for proper, fair, and effective use of behavioral threat assessment teams;

(D) updating and exercising emergency operations plans; and

(E) providing education to the school community on the purpose and use of behavioral threat assessment teams.

(2) School districts and independent schools currently using behavioral threat assessment teams shall certify compliance with the training requirements contained in 16 V.S.A. § 1485(d) on or before the first day of the 2023–2024 school year.

(3) The Agency of Education and Department of Public Safety shall issue guidance and offer training necessary to assist school districts and independent schools with implementation of this subsection.

(c) The Agency of Education shall establish guidelines necessary to collect the data required pursuant to 16 V.S.A. § 1485(e). Each supervisory union, supervisory district, and independent school using behavioral threat assessment teams as of July 1, 2023 shall comply with the data collection requirements under 16 V.S.A. § 1485(e) beginning in the 2023–2024 school year.

(d) Reports.

(1) On or before January 15, 2024, the Agency of Education, in consultation with the Vermont School Safety Center, shall issue a written report on the status of the implementation of the duties and requirements established pursuant to 16 V.S.A. § 1485, including the status of:

(A) the development of the model policy;

(B) updates to training and guidance documents;

(C) updates on training and professional development requirements for behavioral threat assessment teams;

(D) data collected or voluntarily reported to the Agency or Center;

(E) the guidance issued, training developed, and measures implemented to prevent a disproportionate impact of behavioral threat assessments on historically marginalized students, including students with disabilities, to ensure that use of behavioral threat assessments does not increase use of school removals or law enforcement referrals for these populations, as well as plans for future training and guidance; and

(F) any grants or funding secured to support the implementation or proper use of behavioral threat assessment teams.

(2) On or before January 15, 2025, the Agency of Education, in consultation with the Vermont School Safety Center, shall issue a written report on the status of the implementation of the duties and requirements established pursuant to 16 V.S.A. § 1485, including the status of:

(A) data collected from supervisory unions, supervisory districts, and independent schools for the 2023–2024 school year;

(B) completion of the development of the model policy; and

(C) additional guidance, training, and other measures to prevent disproportionate impacts on historically marginalized students, including students with disabilities, as well as plans for future training and guidance.

(3) On or before January 15, 2024, the Agency of Education shall submit a written report with any recommended legislative language from the policy stakeholder work undertaken during the creation of the model policy and accompanying guidance and training materials required pursuant to 16 V.S.A. § 1485.

Fourth: By adding a new section to be Sec. 6 to read as follows:

Sec. 6. EFFECTIVE DATES

(a) This section and Sec. 5 shall take effect on July 1, 2023.

(b) Secs. 1 (16 V.S.A. § 1481) and 3 (16 V.S.A. § 1484) shall take effect on August 1, 2023.

(c) Sec. 2 (16 V.S.A. § 1480) shall take effect on July 1, 2024.

(d) Sec. 4 (16 V.S.A. § 1485) shall take effect on July 1, 2025.

Thereupon, pending the question, Shall the Senate concur in the House proposal of amendment?, Senator Hashim moved that the Senate concur in the House proposal of amendment with an amendment as follows:

First: By adding a new section to be Sec. 5a. to read as follows:

Sec. 5a. WORKING GROUP ON STUDENT PROTECTIONS FROM HARASSMENT AND DISCRIMINATION IN SCHOOLS; REPORT

(a) Creation. There is created the Working Group on Student Protections from Harassment and Discrimination in Schools to study and give recommendations for how to address harassment and discrimination experienced by students.

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

(1) the Secretary of Education or designee;

(2) the Executive Director of the Vermont Human Rights Commission or designee;

(3) the Executive Director of the Vermont Network Against Domestic and Sexual Violence or designee;

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

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

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

(7) the Executive Director of the Vermont Superintendents Association or designee;

(8) the Executive Director of Outright Vermont or designee;

(9) the Executive Director of Racial Equity or designee;

(10) the Executive Director of the Vermont chapter of the National Association of Social Workers or designee;

(11) the Executive Director of Vermont Legal Aid or designee; and

(12) the Chair of the Harassment, Hazing, and Bullying Prevention Advisory Council.

(c) Powers and duties. The Working Group shall study the current protections for students against harassment and discrimination in schools and make recommendations for legislative action to ensure Vermont students have the appropriate protections from harassment and discrimination. In conducting

its analysis, the Working Group shall consider and make recommendations on the following issues:

(1) eliminating the severe and pervasive standard for harassment and discrimination for students in educational institutions;

(2) compulsory educational attendance requirements for students who have been victims of harassment; and

(3) the resources required for schools to develop harassment prevention initiatives as well as supports for students who have experienced harassment.

(d) Assistance. The Working Group shall have the administrative, technical, and legal assistance of the Agency of Education.

(e) Report. On or before December 1, 2023, the Working Group shall submit a written report to the House Committees on General and Housing and on Education and the Senate Committees on Economic Development, Housing and General Affairs and on Education with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The Secretary of Education shall call the first meeting of the Working Group to occur on or before July 15, 2023.

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

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

(4) The Working Group shall cease to exist on February 1, 2024.

Second: In Sec. 6, effective dates, by striking out subsection (a) in its entirety and inserting in lieu thereof the following:

(a) This section and Secs. 5 and 5a shall take effect on July 1, 2023.

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

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 493.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to capital construction and State bonding.

Was taken up for immediate consideration.

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

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

(a) It is the intent of the General Assembly that of the $122,767,376.00 authorized in this act, not more than $56,520,325.00 shall be appropriated in the first year of the biennium, and the remainder shall be appropriated in the second year.

(b) It is the intent of the General Assembly that in the second year of the biennium, any amendments to the appropriations or authorities granted in this act shall take the form of the Capital Construction and State Bonding Adjustment Bill. It is the intent of the General Assembly that unless otherwise indicated, all appropriations in this act are subject to capital budget adjustment.

Sec. 2. STATE BUILDINGS

(a) The following sums are appropriated to the Department of Buildings and General Services, and the Commissioner is authorized to direct funds appropriated in this section to the projects contained in this section; however, no project shall be canceled unless the Chairs of the Senate Committee on Institutions and the House Committee on Corrections and Institutions are notified before that action is taken.

(b) The following sums are appropriated in FY 2024:

(1) Statewide, major maintenance: $8,001,244.00

(2) Statewide, physical security enhancements: $250,000.00

(3) Statewide, planning, reuse, and contingency: $425,000.00

(4) Bennington, Battle Monument, construction of safety fencing: $500,000.00

(5) Brattleboro, courthouse, roof replacement: $2,750,000.00

(6) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: $350,000.00

(7) Montpelier, State House, replacement of historic finishes: $50,000.00

(8) Montpelier, State House, HVAC renovations: $3,725,000.00

(9) Montpelier, 133 State Street, Office of Legislative Information Technology, renovations: $200,000.00

(10) Newport, courthouse replacement, planning and design: $750,000.00

(11) St. Albans, Northwest State Correctional Facility, roof replacement: $1,300,000.00

(12) St. Johnsbury, Northeast State Correctional Facility, Caledonia Community Work Camp, door control system replacement: $1,000,000.00

(13) White River Junction, courthouse, renovations: $2,000,000.00

(14) Statewide, three-acre parcel, stormwater, planning, design, and construction: $1,500,000.00

(15) Statewide, R22 refrigerant phase out: $250,000.00

(16) Statewide, Art in State Buildings Program: $75,000.00

(c) The following sums are appropriated in FY 2025:

(1) Statewide, major maintenance: $8,500,000.00

(2) Statewide, physical security enhancements: $250,000.00

(3) Statewide, planning, reuse, and contingency: $425,000.00

(4) Middlesex, Middlesex Therapeutic Community Residence, master plan, design, and decommissioning: $400,000.00

(5) Montpelier, State House, replacement of historic finishes: $50,000.00

(6) Montpelier, State House, HVAC renovations: $3,900,000.00

(7) Newport, Northern State Correctional Facility, planning and construction for the boiler replacement: $3,500,000.00

(8) St. Johnsbury, Northeast State Correctional Facility, Caledonia Community Work Camp, door control system replacement: $1,750,000.00

(9) White River Junction, courthouse, renovations: $4,000,000.00

(10) Statewide, three-acre parcel, stormwater, planning, design, and construction: $1,500,000.00

(11) Statewide, R22 refrigerant phase out: $1,000,000.00

(d) For the project described in subdivisions (b)(8) and (c)(6) of this section:

(1) The Department of Buildings and General Services is authorized to expend funds for a water-to-water heat pump system to dehumidify the State House in the summer months.

(2) Beginning on September 15, 2023 and ending on January 15, 2024, the Commissioner of Buildings and General Services shall submit monthly updates on the status of the project to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Appropriation – FY 2024	$23,126,244.00
Appropriation – FY 2025	$25,275,000.00
Total Appropriation – Section 2	$48,401,244.00

Sec. 3. HUMAN SERVICES

(a) The following sums are appropriated in FY 2024 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Statewide, planning, design, and construction for HVAC system upgrades and replacements at correctional facilities: $300,000.00

(2) women's correctional facility and reentry facility, planning and design: $1,500,000.00

(b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Human Services for the following projects described in this subsection:

(1) Northwest State Correctional Facility, booking expansion, planning, design, and construction: $2,500,000.00

(2) Women's correctional facility and reentry facility, replacement, planning and design: $13,000,000.00

(3) Statewide, correctional facilities, HVAC systems, planning, design, and construction for upgrades and replacements: $700,000.00

(c)(1) For the amount appropriated in subdivision (a)(1) and subdivision (b)(3) of this section, the Department of Buildings and General Services shall evaluate and develop a design for upgrades and replacement of HVAC systems in all State correctional facilities. To the extent the Department identifies HVAC systems in common areas, break rooms, day rooms, and cafeterias that can be replaced to immediately alleviate heat-related stress for staff and

residents at the facility, the Department is authorized to use the funds appropriated in subdivision (a)(1) and subdivision (b)(3) of this section for installation of HVAC systems in those areas.

(2) Beginning on September 15, 2023 and ending on January 15, 2024, the Commissioner of Buildings and General Services shall submit monthly updates on the status of the project to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Appropriation – FY 2024	$1,800,000.00
Appropriation – FY 2025	$16,200,000.00
Total Appropriation – Section 3	$18,000,000.00

Sec. 4. COMMERCE AND COMMUNITY DEVELOPMENT

(a) The following sums are appropriated in FY 2024 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Major maintenance at statewide historic sites:	$500,000.00
(2) Underwater preserves:	$46,000.00
(3) Placement and replacement of roadside historic markers:	$25,000.00
(4) Unmarked Burial Sites Special Fund:	$25,000.00

(b) The following sums are appropriated in FY 2025 to the Agency of Commerce and Community Development for the following projects described in this subsection:

(1) Major maintenance at statewide historic sites:	$500,000.00
(2) Underwater preserves:	$46,000.00
(3) Placement and replacement of roadside historic markers:	$25,000.00
(4) Unmarked Burial Sites Special Fund:	$25,000.00
Appropriation – FY 2024	$596,000.00
Appropriation – FY 2025	$596,000.00
Total Appropriation – Section 4	$1,192,000.00

Sec. 5. GRANT PROGRAMS

(a) The following sums are appropriated in FY 2024 for the Building Communities Grants established in 24 V.S.A. chapter 137:

(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:

$300,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:

$300,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

$300,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: $300,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): $150,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):

$150,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: $300,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program:

$300,000.00

(b) The following sums are appropriated in FY 2025 for the Building Communities Grants established in 24 V.S.A. chapter 137:

(1) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Preservation Grant Program:

$300,000.00

(2) To the Agency of Commerce and Community Development, Division for Historic Preservation, for the Historic Barns Preservation Grant Program:

$300,000.00

(3) To the Vermont Council on the Arts for the Cultural Facilities Grant Program, the sum of which may be used to match funds that may be made available from the National Endowment for the Arts, provided that all capital funds are made available to the Cultural Facilities Grant Program:

$300,000.00

(4) To the Department of Buildings and General Services for the Recreational Facilities Grant Program: $300,000.00

(5) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Human Services): $150,000.00

(6) To the Department of Buildings and General Services for the Human Services and Educational Facilities Competitive Grant Program (Education):

$150,000.00

(7) To the Department of Buildings and General Services for the Regional Economic Development Grant Program: $300,000.00

(8) To the Agency of Agriculture, Food and Markets for the Agricultural Fairs and Field Days Capital Projects Competitive Grant Program:

$300,000.00

Appropriation – FY 2024	$2,100,000.00
Appropriation – FY 2025	$2,100,000.00
Total Appropriation – Section 5	$4,200,000.00

Sec. 6. EDUCATION

(a) The sum of $50,000.00 is appropriated in FY 2024 to the Agency of Education for funding emergency projects.

(b) The sum of $50,000.00 is appropriated in FY 2025 to the Agency of Education for the projects described in subsection (a) of this section.

Appropriation – FY 2024	$50,000.00
Appropriation – FY 2025	$50,000.00
Total Appropriation – Section 6	$100,000.00

Sec. 7. UNIVERSITY OF VERMONT

(a) The sum of $1,600,000.00 is appropriated in FY 2024 to the University of Vermont for construction, renovation, and major maintenance at any facility owned or operated in the State by the University of Vermont.

(b) The sum of $1,500,000.00 is appropriated in FY 2025 to the University of Vermont for the projects described in subsection (a) of this section.

Appropriation – FY 2024	$1,600,000.00
Appropriation – FY 2025	$1,500,000.00
Total Appropriation – Section 7	$3,100,000.00

Sec. 8. VERMONT STATE COLLEGES

The sum of $1,500,000.00 is appropriated in FY 2025 to the Vermont State Colleges for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges.

Appropriation – FY 2025	$1,500,000.00
Total Appropriation – Section 8	$1,500,000.00

Sec. 9. NATURAL RESOURCES

(a) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Environmental Conservation for the projects described in this subsection:

(1) State match, drinking water supply, Drinking Water State Revolving Fund: $174,586.00

(2) Dam safety and hydrology projects: $500,000.00

(b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:

(1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: $3,750,000.00

(2) Open access recreational infrastructure and State forests and recreational access points: $768,863.00

(c) The following amounts are appropriated in FY 2024 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: $1,778,632.00

(2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: $25,000.00

(d) The sum of $2,207,901.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for the State's match to the Drinking Water State Revolving Fund for the drinking water supply.

(e) The following sums are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the following projects:

(1) Infrastructure rehabilitation, including statewide small-scale rehabilitation, wastewater repairs, preventive improvements and upgrades of restrooms and bathhouses, statewide small-scale road rehabilitation projects, and three-acre stormwater rule compliance: $3,250,000.00

(2) Open access recreational infrastructure and forest park access roads: $670,000.00

(f) The following amounts are appropriated in FY 2025 to the Agency of Natural Resources for the Department of Fish and Wildlife for the projects described in this subsection:

(1) General infrastructure projects, including small-scale maintenance and rehabilitation of infrastructure: $1,344,150.00

(2) Lake Champlain Walleye Association, Inc., to upgrade and repair the Walleye rearing, restoration, and stocking infrastructure: $25,000.00

Appropriation – FY 2024 $6,997,081.00

Appropriation – FY 2025 $7,497,051.00

Total Appropriation – Section 9 $14,494,132.00

Sec. 10. CLEAN WATER INITIATIVES

(a) The sum of $2,202,019.00 is appropriated in FY 2024 to the Agency of Agriculture, Food and Markets for water quality grants and contracts.

(b) The following sums are appropriated in FY 2024 to the Agency of Natural Resources for the following projects:

(1) the Clean Water State/EPA Revolving Loan Fund (CWSRF) match for the Water Pollution Control Fund: $332,981.00

(2) municipal pollution control grants: $4,000,000.00

(c) The sum of $550,000.00 is appropriated in FY 2024 to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for forestry access roads, recreation access roads, and water quality improvements.

(d)(1) The following sums are appropriated in FY 2024 to the Vermont Housing and Conservation Board for the following projects:

(A) Agricultural water quality projects: $800,000.00

(B) Land conservation and water quality projects: $2,000,000.00

(2) A grant issued under subdivision (1)(A) of this subsection:

(A) shall not be considered a State grant under 6 V.S.A. chapter 215, subchapter 3 for purposes of calculating the maximum amount of a State water quality assistance award under 6 V.S.A. § 4824 or 4826; and

(B) may be used to satisfy a grant recipient's cost-share requirements.

(e) The sum of $6,000,000.00 is appropriated in FY 2025 to the Agency of Natural Resources for the Department of Environmental Conservation for clean water implementation projects.

(f) On or before December 1, 2023:

(1) The Clean Water Board shall review and recommend Clean Water Act implementation programs funded from subsection (e) of this section.

(2) The Board shall submit a report with the list of programs recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2024 capital budget adjustment report. The report shall include a recommendation on whether there are any other funding sources that may be used for municipal pollution control grants in FY 2025.

(g) In FY 2024 and FY 2025, any agency that receives funding from this section shall consult with the State Treasurer to ensure that the projects are capital eligible.

Appropriation – FY 2024	$9,885,000.00
Appropriation – FY 2025	$6,000,000.00
Total Appropriation – Section 10	$15,885,000.00

Sec. 11. MILITARY

(a) The sum of $1,251,000.00 is appropriated in FY 2024 to the Department of Military for maintenance, renovations, and ADA compliance at State armories.

(b) The sum of $1,064,000.00 is appropriated in FY 2025 to the Department of Military for the projects described in subsection (a) of this section.

Appropriation – FY 2024	$1,251,000.00
Appropriation – FY 2025	$1,064,000.00
Total Appropriation – Section 11	$2,315,000.00

Sec. 12. AGRICULTURE, FOOD AND MARKETS

(a) The sum of $1,200,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for major maintenance at the Vermont building of the Eastern States Exposition.

(b) The following sums are appropriated in FY 2025 to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for the following projects:

(1) Vermont Agriculture and Environmental Laboratory Heat Plant, construction: $1,500,000.00

(2) Vermont building of the Eastern States Exposition, major maintenance: $1,040,000.00

Appropriation – FY 2024	$1,200,000.00
Appropriation – FY 2025	$2,540,000.00
Total Appropriation – Section 12	$3,740,000.00

Sec. 13. VERMONT RURAL FIRE PROTECTION

(a) The sum of $125,000.00 is appropriated in FY 2024 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the dry hydrant program.

(b) The sum of $125,000.00 is appropriated in FY 2025 to the Department of Public Safety for the Vermont Rural Fire Protection Task Force for the project described in subsection (a) of this section.

Appropriation – FY 2024	$125,000.00
Appropriation – FY 2025	$125,000.00
Total Appropriation – Section 13	$250,000.00

Sec. 14. VERMONT HOUSING AND CONSERVATION BOARD

(a) The sum of $1,800,000.00 is appropriated in FY 2024 to the Vermont Housing and Conservation Board for housing and conservation projects.

(b) The sum of $1,800,000.00 is appropriated in FY 2025 to the Vermont Housing and Conservation Board for the project described in subsection (a) of this section.

Appropriation – FY 2024	$1,800,000.00
Appropriation – FY 2025	$1,800,000.00
Total Appropriation – Section 14	$3,600,000.00

Sec. 15. VETERANS HOME

(a) The sum of $260,000.00 is appropriated in FY 2024 to the Department of Buildings and General Services for the Vermont Veterans' Home for maintenance at the Veterans' Home.

(b) The following sums are appropriated in FY 2024 to the Vermont Veterans' Home for the following projects:

(1) an emergency generator and boiler plant replacement:	$4,500,000.00
(2) elevator upgrade:	$1,000,000.00
(3) resident care furnishings and security systems:	$230,000.00

(c) For the amounts appropriated in subsection (a) and subdivision (b)(3) of this section, on or before January 15, 2024, the Veterans' Home shall submit a report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions on the status of expended funds and an anticipated timeline of when any remaining funds will be expended.

Appropriation – FY 2024	$5,990,000.00
Total Appropriation – Section 15	$5,990,000.00

* * * Funding * * *

Sec. 16. REALLOCATION OF FUNDS; TRANSFER OF FUNDS

(a) The following sums are reallocated to the Department of Buildings and General Services from prior capital appropriations to defray expenditures authorized in Sec. 2 of this act:

(1) of the amount appropriated in 2012 Acts and Resolves No. 40, Sec. 19(a) (Veterans' Home, replace nurse call system):	$14,668.72

(2) of the amount appropriated 2012 Acts and Resolves No. 40, Sec. 19(b) (Veterans' Home kitchen upgrade): $13,522.98

(3) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 2(b) (various projects): $365.00

(4) of the amount appropriated in 2014 Acts and Resolves No. 51, Sec. 17 (Veterans' Home kitchen renovation and mold remediation): $21,493.59

(5) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b) (various projects): $65,463.17

(6) of the amount appropriated in 2015 Acts and Resolves No. 26, Sec. 2(b)(9) (108 Cherry Street, parking garage): $134,937.34

(7) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 1(c)(5) (major maintenance): $93,549.00

(8) of the amount appropriated in 2016 Acts and Resolves No. 160, Sec. 9(g) (Roxbury Fish Hatchery): $6,175.00

(9) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(b)(13) (108 Cherry Street, parking garage): $1,736,256.55

(10) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 2(c) (various projects): $24,363.06

(11) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 6(a)(4) (Recreational Facilities Grant Program): $14,833.00

(12) Of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(b) (Veterans' Home kitchen renovation and mold remediation):

$209, 533.90

(13) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(b)(3) (major maintenance): $32,780.00

(14) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 2(c)(5) (108 Cherry Street, parking garage): $6,944,999.00

(15) of the amount appropriated in 2021 Acts and Resolves No. 50, Sec. 2(b)(5)(108 Cherry Street, parking garage): $3,100,000.00

(16) of the amount appropriated in 2022 Acts and Resolves No. 180, Sec. 2(c)(18) (108 Cherry Street, parking garage): $1,940,000.00

(b) Of the amount appropriated to the Department of Buildings and General Services for the Agency of Human Services in 2020 Acts and Resolves No. 139, Sec. 2(c)(5) (relocation of greenhouse), the sum of $26,131.60 is reallocated to defray expenditures authorized in this act.

(c) Of the amount appropriated to the Agency of Education in 2019 Acts and Resolves No. 42, Sec. 7(a) (emergency projects), the sum of $34,760.56 is reallocated to defray expenditures authorized in this act.

(d) Of the amount appropriated to the Department of Environmental Conservation in 2017 Acts and Resolves No. 84, Sec. 10(a)(3) (municipal pollution control grants), the sum of $64,628.10 is reallocated to defray expenditures authorized in this act.

(e) The following sums appropriated to the Department of Forest, Parks and Recreation are reallocated to defray expenditures authorized in this act:

(1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(b) (infrastructure rehabilitation): $219.08

(2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 10(f) (infrastructure rehabilitation): $1,865.52

(3) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(b) (infrastructure rehabilitation): $33,638.68

(4) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 10(g) (infrastructure rehabilitation): $16,043.11

(5) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 11(c)(1) (forestry skidder bridges): $3,600.00

(f) of the amount appropriated in 2019 Acts and Resolves No. 42, Sec. 17(a)(2) (committee room chairs), the sum of $2,006.46 is reallocated to defray expenditures authorized in this act.

(g) The following sums appropriated to the Vermont Veterans' Home are reallocated to defray expenditures authorized in this act:

(1) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(a) (resident care furnishings): $88,835.00

(2) of the amount appropriated in 2017 Acts and Resolves No. 84, Sec. 16(c)(resident care furnishings): $49,914.00

(3) of the amount appropriated in 2018 Acts and Resolves No. 190, Sec. 11 (security access system): $92,794.00

Total Reallocations and Transfers – Section 16 $14,767,376.32

Sec. 17. GENERAL OBLIGATION BONDS AND APPROPRIATIONS

The State Treasurer is authorized to issue general obligation bonds in the amount of $108,000,000.00 for the purpose of funding the appropriations of this act. The State Treasurer, with the approval of the Governor, shall

determine the appropriate form and maturity of the bonds authorized by this section consistent with the underlying nature of the appropriation to be funded. The State Treasurer shall allocate the estimated cost of bond issuance or issuances to the entities to which funds are appropriated pursuant to this section and for which bonding is required as the source of funds, pursuant to 32 V.S.A. § 954.

Total Revenues – Section 17 $108,000,000.00

Sec. 18. FY 2024 AND 2025; CAPITAL PROJECTS; FY 2024 APPROPRIATIONS ACT; INTENT; AUTHORIZATIONS

(a) Findings. The General Assembly finds that in addition to the issuance of general obligation bonds, eligible capital projects may be funded from the Fund established in 32 V.S.A. § 1001b.

(b) Intent. It is the intent of the General Assembly to authorize certain capital projects eligible for funding by 32 V.S.A. § 1001b in this act but appropriate the funds for these projects in the FY 2024 Appropriations Act. It is also the intent of the General Assembly that the FY 2024 Appropriations Act appropriate funds to the Fund established in 32 V.S.A. § 1001b for projects in FY 2025, which shall be allocated pursuant to the process set forth in subsection (e) of this section.

(c) Authorizations. In FY 2024, spending authority for the following capital projects are authorized as follows:

(1) the Department of Buildings and General Services is authorized to spend $400,000.00 for planning, reuse, and contingency;

(2) Barre, McFarland State Office Building, roof replacement and brick façade repairs: $1,700,000.00

(3) the Department of Buildings and General Services is authorized to spend $135,000.00 for parking garage repairs at 32 Cherry Street in Burlington;

(4) Middlesex, Central Services complex, roof replacement:

$1,000,000.00

(5) Montpelier, State House expansion, design documents:

$150,000.00

(6) the Department of Buildings and General Services is authorized to spend $1,000,000.00 for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

(7) the Department of Buildings and General Services is authorized to spend $600,000.00 for planning for the boiler replacement at the Northern State Correctional Facility in Newport;

(8) the Department of Buildings and General Services is authorized to spend $750,000.00 for planning for renovations to the administration building, West Cottage, at the Criminal Justice Training Council in Pittsford;

(9) the Department of Buildings and General Services is authorized to spend $600,000.00 for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility;

(10) the Department of Buildings and General Services is authorized to spend $1,000,000.00 for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;

(11) the Department of Buildings and General Services is authorized to spend $750,000.00 for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;

(12) the Department of Buildings and General Services is authorized to spend $250,000.00 for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(13) the Department of Buildings and General Services is authorized to spend $250,000.00 for the Department of Public Safety for the planning and design of the Rutland Field Station;

(14) the Department of Buildings and General Services is authorized to spend $300,000.00 for the Agency of Agriculture, Food and Markets for the planning and design of the Vermont Agriculture and Environmental Laboratory Heat Plant;

(15) the Department of Buildings and General Services is authorized to spend $1,000,000.00 for electric vehicle charging stations at State buildings;

(16) the Vermont State Colleges is authorized to spend $7,500,000.00 for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall;

(17) the Agency of Natural Resources is authorized to spend $9,800,000.00 for the Department of Environmental Conservation for the State match to the Infrastructure Investment and Jobs Act for the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund;

(18) the Agency of Natural Resources is authorized to spend $4,500,000.00 for the Department of Environmental Conservation for the Waterbury Dam rehabilitation;

(19) the Agency of Natural Resources is authorized to spend $4,000,000.00 for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies;

(20) the Agency of Natural Resources is authorized to spend $3,000,000.00 for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton Forest State Park; and

(21) the Agency of Natural Resources is authorized to spend $800,000.00 for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps.

(d) FY 2025 capital projects. To the extent general funds are available to appropriate to the Fund established in 32 V.S.A. § 1001b in FY 2025, it is the intent of the General Assembly that the following capital projects receive funding from the Fund:

(1) the sum of $250,000.00 to the Department of Buildings and General Services for planning, reuse, and contingency;

(2) the sum of $2,300,000.00 to the Department of Buildings and General Services for parking garage repairs at 32 Cherry Street in Burlington;

(3) the sum of $2,000,000.00 to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street in Montpelier;

(4) the sum of $1,000,000.00 to the Department of Buildings and General Services for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;

(5) the sum of $1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(6) the sum of $1,000,000.00 to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;

(7) the sum of $1,500,000.00 to the Vermont Veterans' Home for design for the renovation of the Brandon and Cardinal units;

(8) the sum of $500,000.00 to the Department of Buildings and General Services for the Newport courthouse replacement, planning, and design;

(9) the sum of $250,000.00 to the Department of Buildings and General Services for planning for the 133-109 State Street tunnel waterproofing and Aiken Avenue reconstruction; and

(10) the sum of $200,000.00 to the Department of Buildings and General Services for the renovation of the stack area, HVAC upgrades, and the elevator replacement at 111 State Street.

(e) Recommendation. On or before December 15, 2023:

(1) the Secretary of Administration shall review and recommend capital projects to be funded from the Fund established in 32 V.S.A. § 1001b; and

(2) the Secretary of Administration shall submit the list of capital projects recommended for FY 2025 to the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions and to the Governor for the FY 2025 capital budget adjustment report.

* * * Policy * * *

* * * Agriculture, Food and Markets * * *

Sec. 19. 26 V.S.A. § 4811 is amended to read:

§ 4811. SAFETY STANDARDS

Minimum safety standards for the conduct of any race covered by this chapter are established as follows:

(1) Each race track shall have a substantial fence of steel wire or plank construction or other barrier not less than three feet high between the track and area designated for spectators. ~~No~~ A grandstand ~~shall~~ may be constructed or spectators allowed on a curved side of a track if the barrier requirements for a straightaway, as provided by rule adopted pursuant to section 4809 of this title, are met. For motorcycle, ATV, or snowmobile racing, each track shall have a snow fence or other suitable barrier not less than four feet high between the track and the area designated for spectators. The outside portion of all tracks shall be a reasonable distance from the spectators.

* * *

Sec. 20. OFFICE OF PROFESSIONAL REGULATION; MOTOR VEHICLE RACING; REPORT

On or before January 15, 2025, the Office of Professional Regulation, in consultation with relevant stakeholders, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with a sunset review on the regulatory structure for motor vehicle racing in Vermont, including an evaluation of the State's current regulatory structure, approaches to state oversight over motor vehicle racing in jurisdictions outside Vermont and measures to ensure adequate public safety, and any recommendations for legislative action.

* * * Buildings and General Services * * *

Sec. 21. 29 V.S.A. § 166 is amended to read:

§ 166. SELLING OR RENTING STATE PROPERTY

* * *

(b)(1) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. Such property shall be sold to the highest bidder therefor at public auction or upon sealed bids in the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids~~. Notice~~, or the Commissioner is authorized to list the sale of property with a real estate agent licensed by the State.

(2) If the Commissioner elects to sell the property at auction or by sealed bid, notice of the sale or a request for sealed bids shall be posted:

(A) by electronic means; or

(B) in at least three public places in the town where the property is located and also published three times in a newspaper having a known circulation in the town, the last publication to be not less than 10 days before the date of sale or opening of the bids. ~~Failing to consummate a sale under the method prescribed in this section, the Commissioner of Buildings and General Services is authorized to list the sale of this property with a real estate agent licensed by the State of Vermont.~~

(3) This subsection shall not apply to the sale, conveyance, exchange, or lease of lands or interests in lands; to the amendment of deeds, leases, and easements; or to sales of timber made in accordance with the provisions of 10 V.S.A. chapter 155 or the provisions of 10 V.S.A. chapter 83.

* * *

Sec. 22. SALE OF PROPERTIES

(a) 110 State Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the property located at 110 State Street in the City of Montpelier. The Commissioner shall first offer in writing to the City the right to purchase the property.

(1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property on or before October 15, 2023.

(2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner not later than June 1, 2024. In the event the City fails to submit a written offer by June 1, 2024, then the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.

(b) Stanley Hall and Wasson Hall. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to subdivide, sell, or otherwise dispose of the portion of land in the Waterbury State Office Complex (Parcel ID # 916-0103.V as designated on the Town of Waterbury's Tax Parcel Maps) that housed the former Stanley Hall and the adjacent parking lot, located at 32 Park Row, and Wasson Hall, located at 64 Horseshoe Drive, to the Town of Waterbury.

(1) The Commissioner of Buildings and General Services shall notify, in writing, the Town of Waterbury of the right to purchase or acquire the properties described in subdivision (1) of this subsection provided that the following conditions are met:

(A) the Town of Waterbury's Select Board takes a formal action on or before October 15, 2023 indicating the Town's interest in purchasing or acquiring the properties; and

(B) if the Town elects to purchase or acquire the properties, the Town submits a written offer not later than June 1, 2024;

(2) If the conditions in subdivision (1) of this subsection are not met, then the Commissioner's authority to subdivide, sell, or otherwise dispose of the property described in this subsection shall be rescinded.

(c) 108 Cherry Street. Notwithstanding 29 V.S.A. § 166(b), the Commissioner of Buildings and General Services is authorized to sell the

property located at 108 Cherry Street in the City of Burlington. The Commissioner shall first offer in writing to the City the right to purchase the property.

(1) The City's preferential right to purchase the property authorized in this subsection shall terminate unless the City submits a written notification to the Commissioner of its intent to purchase the property on or before October 15, 2023.

(2) If the City submits a notification of its intent to purchase the property pursuant to subdivision (1) of this subsection, the City shall submit a written offer to the Commissioner on or before April 1, 2024. In the event the City fails to submit a written offer on or before April 1, 2024, the City's preferential right to purchase the property shall terminate and the Commissioner is authorized to sell the property to another party.

Sec. 23. RELOCATION OF STATE EMPLOYEES; DEPARTMENT OF BUILDINGS AND GENERAL SERVICES; CITY OF BURLINGTON

Prior to the sale of the building located at 108 Cherry Street in Burlington, the Department of Buildings and General Services shall work with the City of Burlington to find another appropriate location in downtown Burlington to relocate State employees who provide client services.

Sec. 24. 32 V.S.A. § 701a is amended to read:

§ 701a. CAPITAL CONSTRUCTION BILL

(a) When the capital budget has been submitted by the Governor to the General Assembly, it shall immediately be referred to the House Committee on Corrections and Institutions, which shall proceed to consider the budget request in the context of the 10-year capital program plan also submitted by the Governor pursuant to sections 309 and 310 of this title. The Committee shall also propose to the General Assembly:

(1) a prudent amount of total general obligation bonding for the following fiscal year, for support of the capital budget, in consideration of the recommendation of the Capital Debt Affordability Advisory Committee pursuant to chapter 13, subchapter 8 of this title; and

(2) recommendations for capital projects that may be paid for from the Cash Fund for Capital Infrastructure and Other Essential Investments, established in section 1001b of this title.

(b) As soon as possible, the Committee shall prepare a bill to be known as the "capital construction bill," which shall be introduced for action by the General Assembly.

(c) The spending authority authorized by a capital construction act shall carry forward until expended, unless otherwise provided.

(1) All unexpended funds remaining for projects authorized by capital construction acts enacted in a legislative session that was two or more years prior to the current legislative session shall be reported to the General Assembly and may be reallocated in future capital construction acts.

(2) Notwithstanding subdivision (1) of this subsection, any amounts appropriated in a previous capital construction act that are unexpended for at least five years shall be reallocated to future capital construction acts.

(d)(1) On or before ~~January 15,~~ November 15 each year, the Commissioner of Finance and Management shall require each entity to which spending authority has been authorized by a capital construction act enacted in a legislative session that was two or more years prior to the current legislative session ~~shall submit to the House Committee on Corrections and Institutions and the Senate Committee on Institutions~~ to submit a report on the current fund balances of each authorized project with unexpended funds. The report shall include plans for the unexpended funds, any projects or contracts the funds are assigned to, and an anticipated timeline for expending the funds.

(2) On or before December 15 each year, the Commissioner of Finance and Management shall submit in a consolidated format the reports required by subdivision (1) of this subsection to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

(e) The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the reports to be made under subsections (c) and (d) of this section.

Sec. 25. 2021 Acts and Resolves No. 50, Sec. 2 is amended to read:

Sec. 2. STATE BUILDINGS

* * *

(b) The following sums are appropriated in FY 2022:

* * *

(8) Newport, courthouse replacement, site acquisition and planning and design:

$500,000.00

* * *

(c) The following sums are appropriated in FY 2023:

* * *

(7) Newport, courthouse replacement, site acquisition and planning and design: $525,000.00

* * *

* * * Corrections * * *

Sec. 26. 29 V.S.A. § 170a is added to read:

§ 170a. DESIGN OF CORRECTIONAL FACILITIES; USE OF EVIDENCE-BASED DESIGN PRINCIPLES FOR WELLNESS ENVIRONMENTS

The Department of Buildings and General Services shall coordinate with the Department of Corrections on the design and planning for any maintenance, renovation, or construction to a State correctional facility to ensure that evidence-based design principles for wellness environments are incorporated into the design and planning phase of a project.

Sec. 27. NORTHWEST STATE CORRECTIONAL FACILITY; FUNDING REQUEST FOR FEDERAL DETAINEES; INTENT FOR BOOKING EXPANSION DESIGN

(a) On or before August 15, 2023, the Secretary of Human Services shall request federal funds to support capital construction at the Northwest State Correctional Facility, which houses federal detainees, including U.S. Immigration and Customs Enforcement detainees. The Commissioner of Finance and Management shall only release the funds appropriated in Sec. 3(1) of this act upon notification from the Secretary that the request was submitted.

(b) It is the intent of the General Assembly that the Commissioner of Buildings and General Services shall incorporate into booking expansion design at the Northwest State Correctional Facility:

(1) renovations to the HVAC system;

(2) enhanced employee amenities, including amenities to address employee health and wellness needs;

(3) the use of renewable energy; and

(4) the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 28. REPLACEMENT WOMEN'S FACILITIES; SITE LOCATION PROPOSAL; DESIGN INTENT

(a)(1) Site location proposal. On or before January 15, 2024, the Commissioner of Buildings and General Services shall submit a site location

proposal for replacement women's facilities for justice-involved women to the House Committee on Corrections and Institutions and the Senate Committee on Institutions. It is the intent of the General Assembly that when evaluating site locations, preference shall be given to State-owned property. The proposal shall consider both co-locating facilities in a campus-style approach for operational efficiencies and the need for separate facilities at different locations.

(2) Beginning September 15, 2023 and ending December 15, 2023, the Commissioner of Buildings and General Services shall submit monthly status reports on the site location proposal described in subdivision (1) of this subsection (a).

(b) Design intent. It is the intent of the General Assembly that the Commissioner of Buildings and General Services, in consultation with the Commissioner of Corrections, shall incorporate into the design of any women's replacement facility the use of evidence-based principles for wellness environments for supporting trauma-informed practices.

Sec. 29. DEPARTMENT OF CORRECTIONS, REPLACEMENT WOMEN'S FACILITIES; REPORT

(a) It is the intent of the General Assembly that the State's long-term goal and vision for justice-involved individuals includes their reentry into the community through a system of supports grounded in restorative justice principles.

(b) On or before November 15, 2023, the Department of Corrections shall submit a written report to the House Committees on Corrections and Institutions and on Judiciary and the Senate Committees on Institutions and on Judiciary regarding the proposed size and scale of replacement women's facilities. The report shall address the following:

(1) proposed allocation of beds in correctional and re-entry facilities;

(2) bed types for specialized populations in each facility; and

(3) data and rationale used to inform size of each facility.

* * * Judiciary * * *

Sec. 30. BARRE; WASHINGTON COUNTY SUPERIOR COURTHOUSE; RENOVATIONS

On or before September 15, 2023, the Commissioner of Buildings and General Services shall engage the City of Barre on options for renovating the

existing Washington County Superior Courthouse or finding a new site location for the building.

* * * Legislature * * *

Sec. 31. 2020 Acts and Resolves No. 154, Sec. E.126.3, as amended by 2021 Acts and Resolves No. 50, Sec. 31 and 2022 Acts and Resolves No. 180, Sec. 20, is further amended to read:

Sec. E.126.3 GENERAL ASSEMBLY; STATE BUILDINGS; USE OF SPACE; AUTHORITY OF SERGEANT AT ARMS

* * *

(c) Beginning on January 1, 2023 and ending on June 30, ~~2023~~ 2024, 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 rooms 264, 267, 268, and 270 on the second floor of 109 State Street.

* * *

Sec. 32. STATE HOUSE; EXPANSION; DESIGN; SPECIAL COMMITTEE

(a) The Department of Buildings and General Services has contracted with Freeman, French, Freeman to develop programming options that will be the basis for a schematic design for the expansion of the State House. The programming options will be finalized in June 2023 and the schematic design in November 2023 when the General Assembly is not in session. It is the intent of the General Assembly to approve the programming option for a schematic design plan for the State House expansion as soon as practicable to allow the Department of Buildings and General Services to begin the design development phase of the expansion.

(b) A special committee consisting of the Joint Legislative Management Committee and the Chairs of the House Committee on Corrections and Institutions and the Senate Committee on Institutions (special committee) is hereby established. The special committee is authorized to meet to review, approve, or recommend alterations to the schematic design described in subsection (a) of this section at a regularly scheduled Joint Legislative Management Committee meeting. In making its decision, the special committee shall consider:

(1) how the design impacts the ability of the General Assembly to conduct legislative business;

(2) allows for public access to citizens;

(3) the financial consequences to the State of approval or disapproval of the proposal; and

(4) whether any potential alternatives are available.

(c) The special committee shall be entitled to per diem and expenses as provided in 2 V.S.A. § 23.

Sec. 33. 2016 Acts and Resolves No. 88, Sec. 3a, as amended by 2019 Acts and Resolves No. 42, Sec. 24 and 2021 Acts and Resolves No. 50, Sec. 23, is further amended to read:

Sec. 3a. REPEAL

2 V.S.A. chapter 30 (Capitol Complex Security Advisory Committee) is repealed on ~~June 30, 2023~~ June 30, 2024.

* * * Natural Resources * * *

Sec. 34. REPEAL

2018 Acts and Resolves No. 185, Sec. 12 (suspension of private loans for clean water projects) is repealed.

* * * Public Safety * * *

Sec. 35. 2021 Acts and Resolves No. 50, Sec. 12, as amended by 2022 Acts and Resolves No. 180, Sec. 10, is further amended to read:

Sec. 12. PUBLIC SAFETY

* * *

(b) The ~~following amounts are~~ sum of $50,000.00 is appropriated in FY 2023 to the Department of Public Safety for the ~~projects described in this subsection:~~

~~(1) Pittsford,~~ Vermont Policy Academy, feasibility study~~: $50,000.00~~.

~~(2) Williston Public Safety Field Station, construction: $3,500,000.00~~

(c) The sum of $3,500,000.00 is appropriated in FY 2023 to the Department of Buildings and General Services for the Department of Public Safety for the construction of the Williston Public Field Station.

Appropriation – FY 2022	$6,120,000.00
Appropriation – FY 2023	$3,550,000.00
Total Appropriation – Section 12	$9,670,000.00

* * * Effective Date * * *

Sec. 36. 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.

Recess

On motion of Senator Baruth the Senate recessed until three o'clock and forty-five minutes in the afternoon.

Called to Order

The Senate was called to order by the President.

Recess

On motion of Senator Baruth the Senate recessed until four o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment; Bill Messaged

H. 217.

House bill entitled:

An act relating to miscellaneous workers' compensation amendments.

Was taken up.

Thereupon, pending third reading of the bill, Senators Lyons, Kitchel, Cummings, Hardy and Harrison moved to amend the Senate proposal of amendment by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that investments in and policy changes to Vermont's child care and early learning system shall:

(1) increase access to and the quality of child care services and afterschool and summer care programs throughout the State;

(2) increase equitable access to and quality of prekindergarten education for children four years of age;

(3) provide financial stability to child care programs;

(4) stabilize Vermont's talented child care workforce;

(5) address the workforce needs of the State's employers;

(6) maintain a mixed-delivery system for prekindergarten, child care, and afterschool and summer care; and

(7) assign school districts with the responsibility of ensuring equitable prekindergarten access for children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten.

* * * Prekindergarten * * *

Sec. 2. PREKINDERGARTEN EDUCATION IMPLEMENTATION COMMITTEE; PLAN

(a) Creation. There is created the Prekindergarten Education Implementation Committee to assist the Agency of Education in improving and expanding accessible, affordable, and high-quality prekindergarten education for children on a full-day basis on or before July 1, 2026. The prekindergarten program under consideration would require a school district to provide prekindergarten education to all children within the district in either a public school or by contract with private providers, or both.

(b) Membership.

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

(A) the Secretary of Education or designee, who shall serve as co-chair;

(B) the Secretary of Human Services or designee, who shall serve as co-chair;

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

(D) the Executive Director of the Vermont Superintendents Association or designee;

(E) the Executive Director of the Vermont School Board Association or designee;

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

(G) the Chair of the Vermont Council of Special Education Administrators or designee;

(H) the Executive Director of the Vermont Curriculum Leaders Association or designee;

(I) the Executive Director of Building Bright Futures or designee;

(J) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, operating a licensed center-based child care and preschool program, appointed by the Speaker of the House;

(K) a representative of a prequalified private provider as defined in 16 V.S.A. § 829, providing prekindergarten education at a regulated family child care home, appointed by the Committee on Committees;

(L) the Head Start Collaboration Office Director or designee;

(M) the Executive Officer of Let's Grow Kids or designee;

(N) a representative, appointed by Vermont Afterschool, Inc.;

(O) a representative, appointed by the Vermont Association for the Education of Young Children;

(P) a regional prekindergarten coordinator, appointed by the Vermont Principals' Association;

(Q) two family representatives, one with a child three years of age or younger when the Committee initially convenes and the second with a prekindergarten-age child when the Committee initially convenes, appointed by the Building Bright Futures Council; and

(R) a member of the School Construction Aid Task Force, appointed by the Secretary of Education.

(2) The Committee shall consult with any stakeholder necessary to accomplish the purposes of this section, including stakeholders with perspectives specific to diversity, equity, and inclusion.

(c) Powers and duties. The Committee shall examine the delivery of prekindergarten education in Vermont and make recommendations to expand access for children through the public school system or private providers under contract with the school district, or both. The Committee shall examine and make recommendations on the changes necessary to provide prekindergarten education to all children by or through the public school system on or before July 1, 2026. The Committee's analysis may yield distinct recommendations

for different prekindergarten ages. The Committee's recommendation shall consider:

(1) the needs of both the State and local education agencies;

(2) the minimum number of hours that shall constitute a full school day for both prekindergarten and kindergarten;

(3) whether there are areas of the State where prekindergarten education can be more effectively and conveniently furnished in an adjacent state due to geographic considerations;

(4) benchmarks and best practices to ensure high-quality prekindergarten education;

(5) measures to ensure capacity is available to meet the demand for prekindergarten education;

(6) special education services for children participating in prekindergarten in both public and private settings;

(7) any necessary infrastructure changes to expand prekindergarten;

(8) costs associated with expanding prekindergarten, including fiscally strategic options to sustain an expansion of prekindergarten;

(9) recommendations for the oversight of the prekindergarten system; and

(10) any other issue the Committee deems relevant.

(d) Assistance. The Committee shall have the administrative, technical, fiscal, and legal assistance of the Agencies of Education and of Human Services. If the Agencies are unable to provide the Committee with adequate support to assist with its administrative, technical, fiscal, or legal needs, then the Agency of Education shall retain a contractor with the necessary expertise to assist the Committee.

(e) Report. On or before December 1, 2024, the Committee shall submit a written report to the House Committees on Education and on Human Services and the Senate Committees on Education and on Health and Welfare with its implementation plan based on the analysis conducted pursuant to subsection (c) of this section. The report shall include draft legislative language to support the Committee's plan.

(f) Meetings.

(1) The Secretary of Education or designee shall call the first meeting of the Committee to occur on or before July 15, 2023.

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

(3) The Committee shall cease to exist on February 1, 2025.

(g) Compensation and reimbursement. Members of the Committee who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than 18 meetings. These payments shall be made from monies appropriated to the Agency of Education.

(h) Appropriations.

(1) The sum of $7,500.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for per diem compensation and reimbursement of expenses for members of the Committee.

(2) The sum of $100,000.00 is appropriated to the Agency of Education from the General Fund in fiscal year 2024 for the cost of retaining a contractor as provided under subsection (d) of this section.

(3) Any unused portion of these appropriations shall, as of July 1, 2025, revert to the General Fund.

Sec. 2a. PREKINDERGARTEN EDUCATION MODEL CONTRACT

On or before December 1, 2024, the Agency of Education, in consultation with the members of the Prekindergarten Education Implementation Committee and other relevant stakeholders, shall develop a model contract for school districts to use for contracting with private providers for prekindergarten education services. The model contract shall include:

(1) an antidiscrimination provision that requires compliance with the Vermont Public Accommodations Act, 9 V.S.A. chapter 139, and the Vermont Fair Employment Practices Act, 21 V.S.A. chapter 5, subchapter 6; and

(2) requirements for the provision of special education services.

Sec. 2b. PREKINDERGARTEN PUPIL WEIGHT; REPORT

On or before December 1, 2023, the Agency of Education, in consultation with the Prekindergarten Education Implementation Committee, shall analyze and issue a written report to the General Assembly regarding whether the cost of educating a prekindergarten student is the same as educating a kindergarten student in the context of a full school day. The report shall include a detailed analysis, recommendation, and implementation plan for the sufficient weight to apply to prekindergarten students, in alignment with the weights under current law, for the purposes of determining weighted long-term membership of a school district under 16 V.S.A. § 4010. The report shall include draft

legislative language to support the recommended prekindergarten pupil weight and implementation plan.

Sec. 2c. AGENCY OF EDUCATION DATA COLLECTION AND SHARING

On or before August 1, 2023, the Agency of Education shall collect and share the following data with the Joint Fiscal Office:

(1) The number of weighted pupils, which shall not be adjusted by the equalization ratio, for fiscal year 2024:

(A) using weights in effect on July 1, 2023 at both the statewide and district levels; and

(B) using weights in effect on July 1, 2024 at both the statewide and district levels.

(2) The following data, by school district:

(A) the total resources needed to operate a public prekindergarten education program that would serve each prekindergarten child in the district;

(B) the number of prekindergarten children by year of age;

(C) the total education spending and other funds spent in fiscal year 2023 for children attending public prekindergarten education programs;

(D) the total education spending and other funds spent in fiscal year 2023 for prekindergarten children receiving prekindergarten education through a prequalified private provider to whom the district pays tuition;

(E) if the school district operates a public prekindergarten education program:

(i) the number of hours and slots offered in the public prekindergarten education program;

(ii) the number of students residing in the district enrolled in the public prekindergarten education program;

(iii) the number and cost of students residing in the district enrolled in a prequalified private provider for whom the district pays tuition for prekindergarten education; and

(iv) the number of students enrolled in the public prekindergarten education program who reside outside the district and the corresponding revenues associated with the nonresident student tuition; and

(F) if the school district does not operate a prekindergarten education program:

(i) the number of hours of prekindergarten education provided to each prekindergarten child; and

(ii) the tuition costs for prekindergarten children.

Sec. 3. 16 V.S.A. § 4010 is amended to read:

§ 4010. DETERMINATION OF WEIGHTED LONG-TERM MEMBERSHIP AND PER PUPIL EDUCATION SPENDING

* * *

(d) Determination of weighted long-term membership. For each weighting category except the small schools weighting category under subdivision (b)(3) of this section, the Secretary shall compute the weighting count by using the long-term membership, as defined in subdivision 4001(7) of this title, in that category.

(1) The Secretary shall first apply grade level weights. Each pupil included in long-term membership from subsection (b) of this section shall count as one, multiplied by the following amounts:

(A) ~~prekindergarten—negative 0.54;~~ [Repealed.]

(B) grades six through eight—0.36; and

(C) grades nine through 12—0.39.

* * *

Sec. 3a. CONTINGENT EFFECTIVE DATE OF PREKINDERGARTEN EDUCATION WEIGHT CHANGE

The amendments to 16 V.S.A. § 4010 (weighted long-term membership) set forth in Sec. 3 of this act shall not take effect unless, on or before July 1, 2026, the General Assembly enacts legislation establishing the following:

(1) a definition for the minimum number of hours that constitute a full school day for prekindergarten education;

(2) a requirement that all school districts shall be required to follow the same minimum number of hour requirements for prekindergarten education; and

(3) a requirement that all school districts shall be required to follow the same contracting requirements for the provision of prekindergarten education.

* * * Agency of Education * * *

Sec. 4. PLAN; AGENCY OF EDUCATION LEADERSHIP

On or before November 1, 2025, the Agency of Education shall submit a plan to the House Committees on Education and on Human Services and to the

Senate Committees on Education and on Health and Welfare for the purpose of elevating the status of early education within the Agency in accordance with the report produced pursuant to 2021 Acts and Resolves No, 45, Sec. 13. The plan shall achieve greater parity in decision-making authority, roles and responsibilities, and reporting structure related to early care and learning across the Agency and Department for Children and Families.

* * * Child Care and Child Care Subsidies * * *

Sec. 5. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

(4) ~~After September 30, 2021, a regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home~~ Nothing in this subsection shall preclude a child care provider from establishing tuition rates that are lower than the provider reimbursement rate in the Child Care Financial Assistance Program.

* * *

Sec. 5a. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection and the corresponding family contribution shall be established by the Commissioner, by rule, and

shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to ~~150~~ 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~350~~ 400 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

Sec. 5b. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

* * *

(5) The Department shall ensure that applications for the Child Care Financial Assistance Program use a simple, plain-language format. Applications shall be available in both electronic and paper formats and shall comply with the Office of Racial Equity's most recent Language Access Report.

(6) A Vermont resident who has a citizenship status that would otherwise exclude the resident from participating in the Child Care Financial Assistance Program shall be served under this Program, provided that the benefit for these residents is solely State-funded. The Department shall not retain data on the citizenship status of any applicant or participant once a child is no longer participating in the program, and it shall not request the citizenship status of any members of the applicant's or participant's family.

Any records created pursuant to this subsection shall be exempt from public inspection and copying under the Public Records Act.

* * *

Sec. 5c. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall be entitled to participate in the Program for up to three months and the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection and the corresponding family contribution shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The Commissioner may adjust the subsidy and family contribution by rule to account for increasing child care costs not to exceed 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. Families shall be found eligible using an income eligibility scale based on the current federal poverty level and adjusted for the size of the family. Co-payments shall be assigned to the whole family and shall not increase if more than one eligible child is enrolled in child care. Families with an annual gross income of less than or equal to 175 percent of the current federal poverty guidelines shall not have a family co-payment. Families with an annual gross income up to and including ~~400~~ 575 percent of current federal poverty guidelines, adjusted for family size, shall be eligible for a subsidy authorized by the subsection. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

Sec. 5d. FISCAL YEAR 2024; FAMILY CONTRIBUTION

In fiscal year 2024, a weekly family contribution for participants in the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513 shall begin at $50.00 for families at 176 percent of the federal poverty level and increase for families at a higher percentage of the federal poverty level as determined by the Department.

Sec. 6. PROVIDER RATE ADJUSTMENT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) It is the intent of the General Assembly that:

(1) the provider rate adjustment recommended in this section shall be an initial step toward implementing a professional pay scale; and

(2) programs use funds to elevate quality through higher compensation for staff, curriculum implementation, staff professional development, and improvements to learning environments.

(b)(1) On January 1, 2024, the Department for Children and Families shall provide an adjustment to the base child care provider reimbursement rates in the Child Care Financial Assistance Program for child care services provided by center-based child care and preschool programs, family child care homes, and afterschool and summer care programs. The adjusted reimbursement rate shall account for the age of the children served and be 35 percent higher than the fiscal year 2023 five-STAR reimbursement rate in the Vermont STARS system. All providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a regulated child care center and preschool program, regulated family child care home, or afterschool or summer care program.

(2) The provider rate adjustment established in this section shall become part of the base budget in future fiscal years.

Sec. 7. APPROPRIATION; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a) In addition to fiscal year 2024 funds appropriated for the Child Care Financial Assistance Program in other acts, in fiscal year 2024, $47,800,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for:

(1) the program eligibility expansion in Sec. 5a of this act; and

(2) the fiscal year 2024 provider rate adjustment in Sec. 6 of this act.

(b)(1) In addition to fiscal year 2024 funds appropriated for the administration of the Department for Children and Families' Child Development Division in other acts, in fiscal year 2024, $4,000,000.00 is appropriated from the General Fund to the Division to administer adjustments to the Child Care Financial Assistance Program required by this act through the authorization of the following 11 new permanent classified positions within the Division:

(A) one Business Applications Support Manager;

(B) one Licensing Field Specialist I;

(C) two Child Care Business Techs;

(D) one Administrative Services Coordinator II;

(E) one Program Integrity Investigator;

(F) one Grants and Contracts Manager – Compliance;

(G) one Business Application Support Specialist;

(H) one Communications and Outreach Coordinator;

(I) one Financial Manager II; and

(J) one Grants and Contracts Manager.

(2) The Department may seek permission from the Joint Fiscal Committee to replace a position authorized in this subsection with an alternative position.

(3) The Division shall allocate at least $2,000,000.00 of the amount appropriated in this subsection to the Community Child Care Support Agencies.

Sec. 8. READINESS PAYMENTS; CHILD CARE FINANCIAL ASSISTANCE PROGRAM

(a)(1) In fiscal year 2024, $20,000,000.00 is appropriated one time from the General Fund to the Department for Children and Families' Child Development Division for the purpose of providing payments to child care providers, as defined in 33 V.S.A. § 3511, delivering child care services to children, in preparation of the Child Care Financial Assistance Program eligibility expansion in Sec. 5a of this act and for the fiscal year 2024 provider rate adjustment in Sec. 6 of this act. Readiness payments may be used for the following:

(A) increasing capacity for infants and toddlers;

(B) expanding the number of family child care homes;

(C) improving child care facilities;

(D) preparing private prequalified providers for future changes in the prekindergarten system;

(E) expanding hours of operation to provide full-day, full-week child care services;

(F) addressing gaps in services and expanding capacity;

(G) increasing workforce capacity, including signing and retention bonuses; and

(H) any other uses approved by the Commissioner.

(2) Of the funds appropriated in subdivision (1) of this subsection, up to five percent may be used to contract with a third party to provide technical assistance to child care providers to build or maintain capacity and to provide information on the opportunities and requirements of this act.

(b) In administering the readiness payment program established by this section, the Division shall utilize the Agency of Administration bulletin pertaining to beneficiaries in effect on May 1, 2023. The Division may either use the same distribution framework used to distribute Child Care Development Block Grant funds in accordance with the American Rescue Plan Act of 2021 or it may utilize an alternative distribution framework.

(c) The Commissioner shall provide a status report on the distribution of readiness payments to the Joint Fiscal Committee at its November 2023 meeting.

Sec. 8a. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. Payments established under this section shall reflect the following considerations: whether the provider operates a licensed child care facility or a registered family child care home, type of service provided, cost of providing the service, and the prevailing market rate for comparable service. Payments shall be based on enrollment status or any other basis agreed to by the provider and the Division and shall reimburse all providers using the fiscal year 2023 5-STAR rate.

* * *

Sec. 9. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. ~~Payments established under this section shall reflect the following considerations: whether the provider operates a licensed child care facility or a registered family child care home, type of service provided, cost of providing the service, and the prevailing market rate for comparable service.~~

The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program.

(2) Payments shall be based on enrollment ~~status or any other basis agreed to by the provider and the Division and shall reimburse all providers using the fiscal year 2023 5-STAR rate~~. The Department, in consultation with the Office of Racial Equity and stakeholders, shall adopt rules pursuant to 3 V.S.A. chapter 25 that define "enrollment" and the total number of allowable absences to continue participating in the Child Care Financial Assistance Program. The Department shall minimize itemization of absence categories.

(b) The Commissioner may establish a separate payment schedule for child care providers who have received specialized training, approved by the Commissioner, relating to protective or family support services.

(c)~~(1) The payment schedule established by the Commissioner may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey.~~

~~(2) The payment schedule shall include reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program. The lower limit of the reimbursement rate caps shall be not less than the 50th percentile of all reported rates for the same provider setting in each rate category.~~ [Repealed.]

Sec. 9a. 33 V.S.A. § 3514 is amended to read:

§ 3514. PAYMENT TO PROVIDERS

(a)(1) The Commissioner shall establish a payment schedule for purposes of reimbursing providers for full- or part-time child care services rendered to families who participate in the programs established under section 3512 or 3513 of this title. The payment schedule shall account for the age of the children served, and all providers in the same child care setting category shall receive a reimbursement rate payment, which shall be dependent upon whether the provider operates a child care center and preschool program, family child care home, or afterschool or summer care program. The reimbursement rate shall then be adjusted to reduce the differential between family child care homes and center-based child care and preschool programs by 50 percent.

* * *

Sec. 9b. REPORT; ADJUSTMENT OF CHILD CARE FINANCIAL ASSISTANCE PROGRAM RATES

On or before January 15, 2024, the Department for Children and Families' Child Development Division, in collaboration with the Joint Fiscal Office, shall submit a report to the House Committees on Appropriations and on Human Services and the Senate Committees on Appropriations and on Health and Welfare providing recommendations on:

(1) the appropriate mechanism for adjusting future reimbursement rates for child care providers participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513;

(2) the appropriate reimbursement rate in fiscal years 2025 and 2026 for child care providers participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513; and

(3) the appropriate family contribution in fiscal years 2025 and 2026 for families participating in the Child Care Financial Assistance Program pursuant to 33 V.S.A. §§ 3512 and 3513.

Sec. 10. 33 V.S.A. § 3515 is added to read:

§ 3515. CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

(a) The Commissioner shall establish a child care quality and capacity incentive program for child care providers participating in the Child Care Financial Assistance Program pursuant to sections 3512 and 3513 of this title. Annually, consistent with funds appropriated for this purpose, the Commissioner may provide a child care provider with an incentive payment for the following achievements:

(1) achieving a higher level in the quality rating and improvement system, including increasing access to and provision of culturally competent care and multilingual programming and providing other family support services similar to those provided in approved Head Start programs;

(2) increasing infant and toddler capacity;

(3) maintaining existing infant and toddler capacity;

(4) establishing capacity in regions of the State that are identified by the Commissioner as underserved;

(5) providing nonstandard hours of child care services;

(6) completing a Commissioner-approved training on protective or family support services; and

(7) other quality- or capacity-specific criteria identified by the Commissioner.

(b) The Commissioner shall maintain a current incentive payment schedule on the Department's website.

Sec. 10a. LEGISLATIVE INTENT; CHILD CARE QUALITY AND CAPACITY INCENTIVE PROGRAM

It is the intent of the General Assembly that in fiscal year 2025 and in future fiscal years, at least $10,000,000.00 is appropriated for the child care quality and capacity incentive program established in 33 V.S.A. § 3515.

Sec. 11. 33 V.S.A. § 3516 is added to read:

§ 3516. CHILD CARE WAITLIST AND APPLICATION FEES

A child care provider shall not charge an application or waitlist fee for child care services where the applying child qualifies for the Child Care Financial Assistance Program pursuant to section 3512 or 3513 of this title. A child care provider shall reimburse an individual who is charged an application or waitlist fee for child care services if it is later determined that the applying child qualified for the Child Care Financial Assistance Program at the time the fee or fees were paid.

Sec. 12. 33 V.S.A. § 3517 is added to read:

§ 3517. CHILD CARE TUITION RATES

A child care provider shall ensure that its tuition rates are available to the public. A regulated child care provider shall not impose an increase on annual child care tuition that exceeds 1.5 times the most recent annual increase in the NAICS code 611, Educational Services. This amount shall be posted on the Department's website annually.

Sec. 12a. 33 V.S.A. § 3518 is added to read:

§ 3518. CHILDCARE PROVIDER OWNERSHIP DISCLOSURE

(a) As used in this section:

(1) "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) "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.

(3) "Licensee" means a person that the Department approves to receive Child Care Financial Assistance Program funding for child care services pursuant to a provider rate agreement.

(4) "Principal" means one of the following:

(A) the president, vice president, secretary, treasurer, manager, or similar officer of a corporation as provided for by 11A V.S.A. § 8.40, nonprofit corporation as provided for by 11B V.S.A. § 8.40, mutual benefit enterprise as provided for by 11C V.S.A. § 822, cooperative as provided for by 11 V.S.A. § 1013, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;

(B) a director of a corporation as provided for by 11A V.S.A. § 8.01, nonprofit corporation as provided for by 11B V.S.A. § 8.01, mutual benefit enterprise as provided for by 11C V.S.A. § 801, cooperative as provided for by 11 V.S.A. § 1006, or worker cooperative corporation as provided for by 11 V.S.A. § 1089;

(C) a member of a member-managed limited liability company as provided for by 11 V.S.A. § 4054;

(D) manager of a manager-managed limited liability company as provided for by 11 V.S.A. § 4054; or

(E) a partner of a partnership as provided for by 11 V.S.A. § 3212 or a general partner of a limited partnership as provided for by 11 V.S.A chapter 23.

(b) Disclosure. The Department shall adopt procedures to require each licensee to disclose, as a condition of receiving Child Care Financial Assistance Program funding pursuant to a provider rate agreement:

(1) the type of business organization of the licensee;

(2) the identity of the licensee's owners and principals; and

(3) the identity of the owners and principals of the licensee's affiliates.

Sec. 12b. 33 V.S.A. § 3519 is added to read:

§ 3519. DIVERSITY, EQUITY, AND INCLUSION

The Department shall consult with the Office of Racial Equity in preparing all public materials and trainings related to the Child Care Financial Assistance Program.

Sec. 13. RULEMAKING; PROGRAM DIRECTORS

(a) The Department for Children and Families shall amend the following rules pursuant to 3 V.S.A. chapter 25 to require that a program director is present at the child care facility that the program director operates at least 40 percent of the time that children are present:

(1) Department for Children and Families, Licensing Regulations for Afterschool and Child Care Programs (CVR 13-171-003); and

(2) Department for Children and Families, Licensing Regulations for Center-Based Child Care and Preschool Programs (CVR 13-171-004).

(b) The Department shall review and consider amending its:

(1) rule prohibiting a person or entity registered or licensed to operate a family child care home from concurrently operating a center-based child care and preschool program or afterschool and summer care program; and

(2) eligibility policies addressing self-employment and other areas of specialized need on a regular basis and revise them consistent with research on best practices in the field to maximize participation in the program and minimize undue burden on families applying for the Child Care Financial Assistance Program.

* * * Report * * *

Sec. 14. REPORT; BACKGROUND CHECKS

On or before January 15, 2024, the Vermont Crime Information Center, in collaboration with the Agency of Education and the Department for Children and Families, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare providing a recommendation to streamline and improve the timeliness of the background check process for child care and early education providers who are required to complete two separate background checks.

Sec. 15. [Deleted.]

* * * Special Accommodations Grant * * *

Sec. 16. PLAN; SPECIAL ACCOMMODATIONS GRANT

On or before July 1, 2024, the Department for Children and Families' Child Development Division, in consultation with stakeholders, shall develop and submit an implementation plan to the House Committee on Human Services and to the Senate Committee on Health and Welfare to streamline and improve the responsiveness and effectiveness of the application process for special

accommodation grants, including:

(1) implementing a 12-month or longer grant cycle option for eligible populations;

(2) improving support and training for providing inclusive care for children with special needs;

(3) determining how to better meet the early learning needs of children with disabilities within a child care setting; and

(4) any other considerations the Department deems essential to the goal of streamlining the application process for special accommodation grants.

* * * Workforce Supports * * *

Sec. 17. 2021 Acts and Resolves No. 45, Sec. 8 is amended to read:

Sec. 8. REPEALS

(a) ~~33 V.S.A. § 3541(d) (reference to student loan repayment assistance program) is repealed on July 1, 2026.~~ [Repealed.]

(b) 33 V.S.A. § 3542 (scholarships for prospective early childhood providers) is repealed on July 1, 2026.

(c) ~~33 V.S.A. § 3543 (student loan repayment assistance program) is repealed on July 1, 2026.~~ [Repealed.]

* * * Transitional Assistance and Governance * * *

Sec. 18. CHILD CARE; ADMINISTRATIVE SERVICE ORGANIZATIONS

On or before February 15, 2024, the Department for Children and Families shall provide a presentation to the House Committee on Human Services and to the Senate Committee on Health and Welfare regarding the feasibility of and any progress towards establishing administrative service organizations for child care providers.

Sec. 19. 33 V.S.A. § 4605 is added to read:

§ 4605. TECHNICAL ASSISTANCE; ACCOUNTABILITY

In order to ensure the successful implementation of expanded child care, prekindergarten, and afterschool and summer care, Building Bright Futures shall be responsible for monitoring accountability, supporting stakeholders in collectively defining and measuring success, maximizing stakeholder engagement, and providing technical assistance to build capacity for the Department for Children and Families' Child Development Division and the Agency of Education. Specifically, Building Bright Futures shall:

(1) ensure accountability through monitoring transitions over time and submitting a report with the results of this work on January 15 of each year to the House Committee on Human Services and to the Senate Committee on Health and Welfare; and

(2) define and measure success of expanded child care, prekindergarten, and afterschool and summer care related to process, implementation, and outcomes using a continuous quality improvement framework and engage public, private, legislative, and family partners to develop benchmarks pertaining to:

(A) equitable access to high-quality child care;

(B) equitable access to high-quality prekindergarten;

(C) equitable access to high-quality afterschool and summer care;

(D) stability of the early child care education workforce;

(E) workforce capacity and needs of the child care, prekindergarten, afterschool and summer care systems; and

(F) the impact of expanded child care, prekindergarten, and afterschool and summer care on a mixed-delivery system.

Sec. 20. APPROPRIATION; BUILDING BRIGHT FUTURES

Of the funds appropriated in Sec. 7(b) (appropriation; Child Care Financial Assistance Program) of this act, the Department for Children and Families shall allocate $266,707.00 to Building Bright Futures for the purpose of implementing its duties under 33 V.S.A. § 4605. This amount shall become part of the Department's base for the purpose of supporting Building Bright Future's work pursuant to 33 V.S.A. § 4605.

Sec. 21. PLAN; DEPARTMENT FOR CHILDREN AND FAMILIES; GOVERNANCE

(a) On or before November 1, 2025, the Secretary of Human Services shall submit an implementation plan to the House Committees on Appropriations, on Government Operations and Military Affairs, and on Human Services and to the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare regarding the reorganization of the Department for Children and Families to increase responsiveness to Vermonters and elevate the status of child care and early education within the Agency of Human Services. The implementation plan shall be consistent with the goals of the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 13. It shall achieve greater parity in decision-making authority, roles and responsibilities,

and reporting structure related to early care and learning across the Agency of Education and Agency of Human Services.

(b) The implementation plan required pursuant to this section shall contain any legislative language required for the division of the Department.

Sec. 22. [Deleted.]

* * * Child Care Provider Wages * * *

Sec. 23. WAGES FOR CHILD CARE PROVIDERS; INTENT

It is the intent of the General Assembly that, upon reaching provider reimbursement rates that are equivalent, when adjusted for inflation, to the rates recommended by the report produced pursuant to 2021 Acts and Resolves No. 45, Sec. 14:

(1) Vermont may establish minimum wage rates for child care providers that align with the recommendations of the Vermont Association for the Education of Young Children's recommendations in the 2021 Advancing ECE as a Profession Task Force report;

(2) the minimum wage rates may annually increase based on the percentage increase in the average wage for NAICS code 611, Educational Services; and

(3) the initial minimum wage rates may be adjusted for inflation based on the findings and recommendations of the report prepared pursuant to Sec. 23a of this act.

Sec. 23a. REPORT; CHILD CARE PROVIDER WAGES

On or before January 1, 2026, the Department of Labor, in consultation with the Department for Children and Families Child Development Division and the Joint Fiscal Office, shall submit information to the House Committees on Human Services and on Ways and Means and to the Senate Committees on Health and Welfare and on Finance providing estimated current minimum wage levels based on Vermont and other state data regarding wage levels for early care and education providers.

* * * Child Care Contribution * * *

Sec. 24. 32 V.S.A. chapter 246 is added to read:

CHAPTER 246. CHILD CARE CONTRIBUTION

§ 10551. PURPOSE

The Child Care Contribution is established to provide funding for the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3515.

§ 10552. DEFINITIONS

As used in this chapter:

(1) "Covered wages" means wages paid to an employee by an employer.

(2) "Employee" means an individual who receives payments with respect to services performed for an employer from which the employer is required to withhold Vermont income tax pursuant to chapter 151, subchapter 4 of this title.

(3) "Employer" means a person who employs one or more employees who is required to withhold income tax from wages paid to the employees pursuant to chapter 151, subchapter 4 of this title.

(4) "Self-employed individual" means a sole proprietor or partner owner of an unincorporated business, the sole member of a limited liability company, or the sole shareholder of a corporation.

(5) "Self-employment income" has the same meaning as in 26 U.S.C. § 1402.

(6) "Wages" means payments that are included in the definition of wages set forth in 26 U.S.C. § 3401.

§ 10553. CONTRIBUTION; RATE; COLLECTION

(a)(1) Each employer shall pay the Child Care Contribution on all covered wages paid to each of the employer's employees and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. An employer may deduct and withhold from an employee's covered wages an amount equal to not more than one quarter of the contribution required pursuant to subsection (b) of this section. An employer shall pay the contributions required pursuant to this section as if the contributions were Vermont income tax subject to the withholding requirements of chapter 151, subchapter 4 of this title, including the requirements relating to the time and manner of payment.

(2) Each self-employed individual shall pay the Child Care Contribution on self-employment income earned by the individual and shall remit those amounts to the Department of Taxes pursuant to the provisions of this section. A self-employed individual shall make installment payments of estimated contributions pursuant to this subdivision from the enrolled self-employed individual's self-employment income as if the contributions were Vermont income tax subject to the estimated payment requirements of 32 V.S.A. chapter 151, subchapter 5, including the time and manner of payment.

(b) The contribution rate shall be 0.44 percent of each employee's covered wages and 0.11 percent on each self-employed individual's self-employment income.

(c)(1) The Department shall collect the contributions required pursuant to this section. The administrative and enforcement provisions of chapter 151 of this title shall apply to the contribution requirements under this section as if the contributions required pursuant to this section were Vermont income tax, except penalty and interest shall apply according to chapter 103 of this title.

(2) Employers shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(1) of this section. Self-employed individuals shall be responsible for the full amount of any unpaid contributions due pursuant to subdivision (a)(2) of this section.

§ 10554. CHILD CARE CONTRIBUTION SPECIAL FUND

(a) The Child Care Contribution Special Fund is created pursuant to chapter 7, subchapter 5 of this title and shall be administered by the Department for Children and Families and the Department of Taxes. Monies in the Fund may be expended by the Department of Taxes for the administration of the Child Care and Parental Leave Contribution created under this chapter; by the Department for Children and Families for benefits provided by the Child Care Financial Assistance Program established in 33 V.S.A. §§ 3512 and 3513, including the provision of incentive payments pursuant to 33 V.S.A. § 3515; and by the Departments for necessary costs incurred in administering the Fund. All interest earned on Fund balances shall be credited to the Fund.

(b) The Fund shall consist of:

(1) contributions collected or recovered pursuant to section 10553 of this title;

(2) any amounts transferred or appropriated to the Fund by the General Assembly; and

(3) any interest earned by the Fund.

(c) The Departments may seek and accept grants from any source, public or private, to be dedicated for deposit into the Fund.

Sec. 25. CHILD CARE CONTRIBUTION POSITIONS AND APPROPRIATION

(a) The establishment of the following 15 new permanent classified positions is authorized in the Department of Taxes in fiscal year 2024:

(1) eight full-time, classified tax examiners within the Taxpayer Services Division;

(2) two full-time, classified tax examiners within the Compliance Division;

(3) three full-time, classified tax compliance officers within the Compliance Division;

(4) one full-time, classified financial specialist III within the Revenue Accounting and Returns Processing Division; and

(5) one business analyst–tax within the VTax Division.

(b) In fiscal year 2024, the amount of $4,200,000.00 is appropriated from the General Fund to the Department of Taxes to be used for the implementation of the Child Care Contribution pursuant to 32 V.S.A. chapter 246 created by this act.

* * * Workers' Compensation * * *

Sec. 26. WORKERS' COMPENSATION RATE OF CONTRIBUTION

For fiscal year 2024, after consideration of the formula in 21 V.S.A. § 711(b) and historical rate trends, the General Assembly determines that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall be 1.5 percent. The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

Sec. 27. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

* * *

(b)(1) Annually, the General Assembly shall establish the rate of contribution for the direct calendar year premium for workers' compensation insurance. The rate shall equal the amount approved in the appropriations process for the program and the Department's projection of salary and benefit increases for that fiscal year, less the amount collected in the prior calendar year under subsection (a) of this section from self-insured workers' compensation losses and from corporations approved under this chapter, adjusted by any balance in the fund from the prior fiscal year, divided by the total direct calendar year premium for workers' compensation insurance for the prior year.

(2) In the event that the General Assembly does not establish the rate of contribution for the direct calendar year premium for workers' compensation insurance for a given fiscal year, the rate shall remain unchanged from the prior fiscal year.

Sec. 28. 2014 Acts and Resolves No. 199, Sec. 54b is amended to read:

Sec. 54b. 21 V.S.A. § 643a is added to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of 14 days. The objection to the discontinuance shall be specific as to the reasons and include supporting evidence. A copy of the objection shall be provided to the employer at the time the request is made to the Commissioner. ~~Those~~ The payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

Sec. 29. 21 V.S.A. § 640b is amended to read:

§ 640b. REQUEST FOR PREAUTHORIZATION TO DETERMINE IF PROPOSED ~~TREATMENT IS~~ BENEFITS ARE NECESSARY

(a) As used in this section, "benefits" means medical treatment and surgical, medical, and nursing services and supplies, including prescription drugs and durable medical equipment.

(b) Within 14 days ~~of~~ after receiving a written request for preauthorization for ~~a~~ proposed ~~medical treatment~~ benefits and medical evidence supporting the requested ~~treatment~~ benefits, a workers' compensation insurer shall do one of the following, in writing:

(1) ~~authorize~~ Authorize the ~~treatment~~ benefits and notify the health care provider, the injured worker, and the Department~~; or~~.

(2)~~(A) deny~~ Deny the ~~treatment~~ benefits because the entire claim is disputed and the Commissioner has not issued an interim order to pay benefits~~; or~~. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny benefits.

~~(B)~~(3) ~~deny~~ Deny the ~~treatment~~ benefits if, based on a preponderance of credible medical evidence specifically addressing the proposed ~~treatment~~ benefits, ~~it is~~ the benefits are unreasonable ~~or~~, unnecessary, or unrelated to the work injury. The insurer shall notify the health care provider, the injured worker, and the Department of the decision to deny ~~treatment; or~~ benefits.

~~(3)~~(4) ~~notify~~ Notify the health care provider, the injured worker, and the Department that the insurer has scheduled an examination of the employee pursuant to section 655 of this title or ordered a medical record review pursuant to section ~~655~~ 655a of this title. Based on the examination or review, the insurer shall authorize or deny the ~~treatment~~ benefits and notify the Department and the injured worker of the decision within 45 days ~~of~~ after a request for preauthorization. The Commissioner may, in ~~his or her~~ the Commissioner's sole discretion, grant a 10-day extension to the insurer to authorize or deny ~~treatment~~ benefits, and such an extension shall not be subject to appeal.

~~(b)~~(c) If the insurer fails to authorize or deny the ~~treatment~~ benefits pursuant to subsection ~~(a)~~(b) of this section within 14 days ~~of~~ after receiving a request, the claimant or health care provider may request that the Department issue an order authorizing ~~treatment~~ benefits. After receipt of the request, the Department shall issue an interim order within five days after notice to the insurer, and five days in which to respond, absent evidence that the entire claim is disputed. Upon request of a party, the Commissioner shall notify the

parties that the ~~treatment has~~ benefits have been authorized by operation of law.

~~(c)~~(d) If the insurer denies the preauthorization of the ~~treatment~~ benefits pursuant to subdivision ~~(a)(2) or~~ (b)(2), (3), or (4) of this section, the Commissioner may, on ~~his or her~~ the Commissioner's own initiative or upon a request by the claimant, issue an order authorizing the ~~treatment~~ benefits if ~~he or she~~ the Commissioner finds that the evidence shows that the ~~treatment is~~ benefits are reasonable, necessary, and related to the work injury.

Sec. 30. 21 V.S.A. § 643d is added to read:

§ 643d. WORK SEARCH; REQUIREMENTS; EXCEPTIONS

(a) An employer may require an employee who is receiving temporary disability benefits pursuant to section 646 of this chapter to engage in a good faith search for suitable work if:

(1) the injured employee is medically released to return to work, either with or without limitations;

(2) the employer has provided the injured employee with written notification that the employee is medically released to return to work and the notification describes any applicable limitations; and

(3) the employer cannot offer the injured employee work that the employee is medically released to do.

(b) An injured employee shall not be required to engage in a good faith search for suitable work if the employee:

(1) is already employed; or

(2) has been referred for or is scheduled to undergo one or more surgical procedures.

(c) An employer shall not require an injured employee to contact more than three employers per week as part of a good faith work search performed pursuant to this section.

Sec. 31. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

(a)(1) Where the disability for work resulting from an injury is partial, ~~during the disability and~~ beginning on the eighth day ~~thereof~~ of the period of disability, the employer shall pay the injured employee a weekly compensation equal to the greater of:

(A) the difference between the amount the injured employee would be eligible to receive pursuant to section 642 of this chapter, including any

applicable cost of living adjustment or dependency benefits that would be due, and the wage the injured employee earns during the period of disability; and

(B) two-thirds of the difference between ~~his or her~~ the injured employee's average weekly wage before the injury and the ~~average weekly wage which he or she is able to earn thereafter~~ amount the employee earns during the period of disability.

(2) Compensation paid pursuant to this subsection shall be adjusted on the first July 1 following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

Sec. 32. 21 V.S.A. § 646 is amended to read:

§ 646. TEMPORARY PARTIAL DISABILITY BENEFITS

* * *

(b)~~(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.~~

~~(2) The amount allowed for dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.~~ [Repealed.]

Sec. 33. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

(a)(1) Where the injury causes total disability for work, during ~~such~~ the disability, but not including the first three days~~,~~ with the day of the accident to be counted as the first day~~,~~ unless the employee received full wages for that day, the employer shall pay the injured employee a weekly compensation equal to two-thirds of the employee's average weekly wages~~, but~~.

(2) The weekly compensation shall be in an amount that is not more than the maximum nor less than the minimum weekly compensation.

(3) Compensation paid pursuant to this subsection shall be adjusted on the first July 1 following the receipt of 26 weeks of benefits and annually on each subsequent July 1, so that the compensation continues to bear the same percentage relationship to the average weekly wage in the State as it did at the time of injury.

(b)(1) In addition~~, the injured employee, during the disability period shall receive $10.00 a~~ to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability $20.00 per week for each dependent child who is ~~unmarried and~~ under ~~the age of~~ 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children. ~~However, in no event shall an~~

(2) The amount allowed for the dependent children shall be adjusted weekly to reflect the number of dependent children during each week of payment.

(c) Notwithstanding any provision of subsection (a) or (b) of this section to the contrary:

(1) An employee's total weekly wage replacement benefits, including any payments for a dependent child, shall not exceed 90 percent of the employee's average weekly wage prior to applying any applicable cost of living adjustment. ~~The amount allowed for dependent children shall be increased or decreased weekly to reflect the number of dependent children extant during the week of payment.~~

(2) If the total disability continues after the third day for a period of seven consecutive calendar days or more, compensation shall be paid for the whole period of the total disability.

Sec. 34. 21 V.S.A. § 642 is amended to read:

§ 642. TEMPORARY TOTAL DISABILITY BENEFITS

* * *

(b)(1) In addition to the amount paid pursuant to subsection (a) of this section, the employer shall pay the injured employee during the disability ~~$20.00~~ $10.00 per week for each dependent child who is under 21 years of age, provided that no other injured worker is receiving the same benefits on behalf of the dependent child or children.

* * *

Sec. 35. DEPENDENT BENEFIT INCREASE; IMPACT; REPORT

On or before January 15, 2027, the Commissioner of Labor, in consultation with the Commissioner of Financial Regulation, shall submit a written report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on Commerce and Economic Development regarding the impact of the increase in the dependent benefit enacted pursuant to Secs. 31 and 33 of this act on the workers' compensation system. The report shall include an estimate of the number of claims that have received additional benefits as a result of the increase and the additional cost to the workers' compensation system of the additional dependent benefits.

Sec. 36. 21 V.S.A. § 650 is amended to read:

§ 650. PAYMENT; AVERAGE WAGE; COMPUTATION

* * *

(d)(1) Compensation computed pursuant to this section shall be adjusted annually on July 1, so that ~~such~~ the compensation continues to bear the same percentage relationship to the average weekly wage in the State ~~as computed under this chapter~~ as it did at the time of injury.

(2) Temporary total or temporary partial compensation shall first be adjusted on the first July 1 following the receipt of 26 weeks of benefits.

(3) Permanent total and permanent partial compensation shall be adjusted for each July 1 following the date of injury regardless of whether indemnity benefits were paid on each intervening July 1.

(e)(1) If weekly compensation benefits or weekly accrued benefits are not paid within 21 days after becoming due and payable pursuant to an order of the Commissioner, or in cases in which the overdue benefit is not in dispute, 10 percent of the overdue amount shall be added and paid to the employee, in addition to any amounts due pursuant to subsection (f) of this section and interest and any other penalties.

(2) In the case of an initial claim, benefits are due and payable upon entering into an agreement pursuant to subsection 662(a) of this title, upon issuance of an order of the Commissioner pursuant to subsection 662(b) of this title, or if the employer has not denied the claim within 21 days after the claim is filed.

(3) Benefits are in dispute if the claimant has been provided actual written notice of the dispute within 21 days ~~of~~ after the benefit being due and payable and the evidence reasonably supports the denial.

(4) Interest shall accrue and be paid on benefits that are found to be compensable during the period of nonpayment.

(5) The Commissioner shall promptly review requests for payment under this section and, consistent with subsection 678(d) of this title, shall allow for the recovery of reasonable attorney's fees associated with an employee's successful request for payment under this subsection.

(f)(1)(A) When benefits have been awarded or are not in dispute as provided in subsection (e) of this section, the employer shall establish a weekday on which payment shall be mailed or deposited and notify the claimant and the Department of that day. The employer shall ensure that each weekly payment is mailed or deposited on or before the day established.

(B) Payment shall be made by direct deposit to a claimant who elects that payment method. The employer shall notify the claimant of ~~his or her~~ the claimant's right to payment by direct deposit.

(2) If the benefit payment is not mailed or deposited on the day established, the employer shall pay to the claimant a late fee of $10.00 or five percent of the benefit amount, whichever is greater, for each weekly payment that is made after the established day.

(3) As used in this subsection, "paid" means the payment is mailed to the claimant's mailing address or, in the case of direct deposit, transferred into the designated account. In the event of a dispute, proof of payment shall be established by affidavit.

Sec. 37. 21 V.S.A. § 678 is amended to read:

§ 678. COSTS; ATTORNEY'S FEES

(a) ~~Necessary costs of proceedings under this chapter, including deposition expenses, subpoena fees, and expert witness fees, shall be assessed by the Commissioner against the employer or its workers' compensation carrier when the claimant prevails. The Commissioner may allow the claimant to recover reasonable attorney's fees when the claimant prevails.~~ Costs shall not be taxed or allowed either party except as provided in this section.

(b)(1) When a claimant prevails in either a formal or informal proceeding under this chapter, the Commissioner shall award the claimant necessary costs incurred in relation to the proceeding, including deposition expenses, subpoena fees, and expert witness fees.

(2) The Commissioner may allow a claimant to recover reasonable attorney's fees when the claimant prevails.

(3) In cases for which a formal hearing is requested and the case is resolved prior to a formal hearing:

(A) the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the attorney's efforts; and

(B) the Commissioner shall award necessary costs if the claimant incurred the costs in response to an actual or effective denial of a claim and payments were made to the claimant as a result of the costs incurred.

(c)(1) In appeals to the Superior or Supreme Court, if the claimant prevails, ~~he or she~~ the claimant shall be entitled to reasonable attorney's fees as approved by the court~~,~~; necessary costs, including deposition expenses, subpoena fees, and expert witness fees~~,~~; and interest at the rate of 12 percent per annum on that portion of any award the payment of which is contested.

(2) Interest shall be computed from the date of the award of the Commissioner.

~~(c)~~(d) By January 1, 1999~~,~~ and at least every five years thereafter, the Commissioner shall amend existing rules regarding reasonable attorney's fees awarded under subsection (a) of this section. In amending these rules, the Commissioner shall consider accessibility to legal services, appropriate inflation factors, and any other related factors consistent with the purposes of this chapter. In the event the Commissioner proposes no change in the rules in any five-year period, the Commissioner shall provide a written report to the Legislative Committee on Administrative Rules of the General Assembly explaining the reasons for not changing the rules.

~~(d) In cases for which a formal hearing is requested and the case is resolved prior to formal hearing, the Commissioner may award reasonable attorney's fees if the claimant retained an attorney in response to an actual or effective denial of a claim and thereafter payments were made to the claimant as a result of the attorney's efforts.~~

* * *

Sec. 38. ADOPTION OF RULES

The Commissioner of Labor shall, on or before July 1, 2024, adopt rules as necessary to implement the provisions of Secs. 30, 31, 32, 33, 34, 35, 37, and 38 of this act.

* * * Unemployment Insurance * * *

Sec. 39. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

~~The following words and phrases, as~~ As used in this chapter~~, shall have the following meanings unless the context clearly requires otherwise~~:

* * *

(25) "Son," "daughter," and "child" include an individual's biological child, foster child, adoptive child, stepchild, a child for whom the individual is listed as a parent on the child's birth certificate, a legal ward of the individual, a child of the individual's spouse, or a child that the individual has day-to-day responsibilities to care for and financially support.

(26) "Spouse" includes an individual's domestic partner or civil union partner. As used in this subdivision, "domestic partner" means another individual with whom an individual has an enduring domestic relationship of a spousal nature, provided that the individual and the individual's domestic partner:

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

(B) are at least 18 years of age;

(C) are not married to, in a civil union with, or considered the 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.

Sec. 40. 21 V.S.A. § 1301 is amended to read:

§ 1301. DEFINITIONS

As used in this chapter:

* * *

(5) "Employer" includes:

(A) Any employing unit ~~which, after December 31, 1971~~ that in any calendar quarter in either the current or preceding calendar year paid for service in employment, as ~~hereinafter~~ defined pursuant to subdivision (6) of this section, wages of $1,500.00 or more, or for some portion of a day in each of 20 different calendar weeks, whether or not such weeks were consecutive, in either the current or the preceding calendar year, had in employment~~, as~~

~~hereinafter defined,~~ at least one individual (irrespective of whether the same individual was in employment in each such day). When an employing unit described in either this subdivision or subdivision ~~(5)~~(B) of this ~~section~~ subdivision (5), becomes an employer within any calendar year, it shall be subject to this chapter for the whole of ~~such~~ the calendar year.

(B)(i) Any employing unit for which service in employment for a religious, charitable, educational, or other organization as defined in subdivision (6)(A)(ix) of this section is performed after December 31, 1971~~;~~, except as provided in subdivision ~~(5)~~(C) of this ~~section~~ subdivision (5).

* * *

(6)(A)(i) "Employment," subject to the other provisions of this subdivision (6), means service within the jurisdiction of this State~~, performed prior to January 1, 1978, which was employment as defined in this subdivision prior to such date and, subject to the other provisions of this subdivision, service performed after December 31, 1977,~~ performed by an employee, as defined in subsections 3306(i) and (o) of the Federal Unemployment Tax Act, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, expressed or implied. Services partly within and partly ~~without~~ outside this State may by election as ~~hereinbefore~~ provided in subdivision (5)(E)(i) of this section be treated as if wholly within the jurisdiction of this State. ~~And whenever~~ If an employing unit ~~shall have~~ has elected to come under the provisions of a similar act of a state where a part of the services of an employee are performed, the Commissioner, upon ~~his or her approval of said~~ approving the election as to ~~any such~~ the employee, may treat the services covered by ~~said approved~~ the election as having been performed wholly ~~without~~ outside the jurisdiction of this State.

* * *

(ix) The term "employment" shall also include service for any employing unit ~~which is~~ performed ~~after December 31, 1971~~ by an individual in the employ of a religious, charitable, educational, or other organization ~~but only~~ if~~:~~

~~(I)~~ the service is excluded from "employment" as defined in the Federal Unemployment Tax Act solely by reason of ~~section~~ subdivision 3306(c)(8) of that act~~; and~~

~~(II) the organization had four or more individuals in employment for some portion of a day in each of 20 different weeks, whether or not such weeks were consecutive, within either the current or preceding calendar year, regardless of whether they were employed at the same moment of time~~.

* * *

Sec. 41. 21 V.S.A. § 1321 is amended to read:

§ 1321. CONTRIBUTIONS; TAXABLE WAGE BASE CHANGES

* * *

(c)(1) Financing benefits paid to employees of nonprofit organizations.

(A) Benefits paid to employees of nonprofit organizations shall be financed in accordance with the provisions of this subsection (c).

(B) ~~For the purposes of~~ As used in this subsection (c), ~~a~~ "nonprofit organization" ~~is~~ means an organization ~~(~~, or group of organizations~~),~~ described in Section 501(c)(3) of the U.S. Internal Revenue Code ~~which~~ that is exempt from income tax under Section 501(a) of ~~such~~ the Internal Revenue Code.

(2) Liability for contributions and election of reimbursement. Any nonprofit organization ~~which~~ that, pursuant to subdivision 1301(5)(B)(i) of this ~~title~~ chapter, is~~,~~ or becomes~~,~~ subject to this chapter ~~on or after January 1, 1972~~ shall pay contributions under the provisions of this section~~,~~ unless it elects, in accordance with this subsection, to pay to the Commissioner~~,~~ for the Unemployment Insurance Trust Fund~~,~~ an amount equal to the amount of regular benefits and of one-half of the extended benefits paid~~,~~ that is attributable to service in the employ of ~~such~~ the nonprofit organization~~,~~ to individuals for weeks of unemployment ~~which~~ that begin during the effective period of ~~such~~ the election.

(A) ~~Any nonprofit organization which is, or becomes, subject to this chapter on January 1, 1972 may elect to become liable for payments in lieu of contributions for a period of not less than one calendar year beginning with January 1, 1972 provided it files with the Commissioner a written notice of its election within the 30-day period immediately following such date or within a like period immediately following April 16, 1971, whichever occurs later.~~ [Repealed.]

(B) Any nonprofit organization ~~which~~ that becomes subject to this chapter ~~after January 1, 1972~~ may elect to become liable for payments in lieu of contributions for a period of not less than 12 months ~~beginning with the date on which such subjectivity begins~~ by filing a written notice of its election with the Commissioner not later than 30 days immediately following the date of the determination ~~of such subjectivity~~ that the organization is subject to this chapter.

(C) Any nonprofit organization ~~which~~ that makes an election in accordance with ~~subdivisions (c)(2)(A) and~~ subdivision (B) of this ~~section will~~ subdivision (c)(2) shall continue to be liable for payments in lieu of

contributions until it files with the Commissioner a written notice terminating its election not later than 30 days prior to the beginning of the calendar year for which ~~such~~ the termination shall first be effective.

(D) Any nonprofit organization ~~which~~ that has been paying contributions under this chapter ~~for a period subsequent to January 1, 1972~~ may ~~change to a reimbursable basis~~ elect to become liable for payments in lieu of contributions by filing with the Commissioner not later than 30 days prior to the beginning of any calendar year a written notice of election to become liable for payments in lieu of contributions. ~~Such~~ An election under this subdivision (c)(2)(D) shall not be terminable by the organization for that year and the next year.

(E) The Commissioner may for good cause extend the period within which a notice of election, or a notice of termination, must be filed and may permit an election to be retroactive ~~but not any earlier than with respect to benefits paid after December 31, 1969~~.

(F) The Commissioner, in accordance with ~~such~~ any applicable rules ~~as~~ adopted by the Board ~~may prescribe~~, shall notify each nonprofit organization of any determination ~~which he or she may make of~~ that the Commissioner makes with regard to its status as an employer and ~~of~~ the effective date of any election ~~which it~~ that the organization makes and of any termination of ~~such~~ an election. ~~Such~~ The determinations shall be subject to reconsideration and to appeal and review in accordance with the provisions of section 1337a of this title.

(3) Reimbursement payments. Payments in lieu of contributions shall be made in accordance with the provisions of this subdivision, including either subdivision (A) or ~~subdivision~~ (B).

(A) At the end of each calendar quarter, or at the end of any other period as determined by the Commissioner, the Commissioner shall bill each nonprofit organization, or group of ~~such~~ nonprofit organizations, ~~which~~ that has elected to make payments in lieu of contributions for an amount equal to the full amount of regular benefits plus one-half of the amount of extended benefits paid during ~~such~~ the quarter or other prescribed period that is attributable to service in the employ of ~~such~~ the organization.

(B)(i) Each nonprofit organization that has elected payments in lieu of contributions may request permission to make ~~such~~ payments as provided in this subdivision (c)(3)(B). ~~Such method of payment~~ Payment pursuant to the provisions of this subdivision (c)(3)(B) shall become effective upon approval of the Commissioner.

(ii) At the end of each calendar quarter, the Commissioner shall bill each nonprofit organization approved to make payments pursuant to the provisions of this subdivision (c)(3)(B) for an amount representing ~~one of the following:~~

~~(I) For 1972, two-tenths of one percent of its total payroll for 1971.~~

~~(II) For years after 1972, such~~ a percentage of its total payroll for the immediately preceding calendar year ~~as~~ that the Commissioner ~~shall determine. The determination shall be~~ determines to be appropriate based ~~each year~~ on the average benefit costs attributable to service in the employ of nonprofit organizations during the preceding calendar year.

~~(III) For~~ The Commissioner may determine a different rate for any organization ~~which~~ that did not pay wages throughout the four calendar quarters of the preceding calendar year~~, such percentage of its payroll during that year as the Commissioner shall determine~~.

(iii) At the end of each calendar year, the Commissioner may modify the quarterly percentage of payroll thereafter payable by the nonprofit organization in order to minimize excess or insufficient payments.

(iv) At the end of each calendar year, the Commissioner shall determine whether the total of payments for ~~such~~ the year made by a nonprofit organization is less than, or in excess of, the total amount of regular benefits plus one-half of the amount of extended benefits paid to individuals during ~~such~~ the taxable year based on wages attributable to service in the employ of ~~such~~ the organization. Each nonprofit organization whose total payments for ~~such~~ the year are less than the amount ~~so~~ determined shall be liable for payment of the unpaid balance to the Trust Fund in accordance with subdivision ~~(3)~~(C) of this ~~subsection~~ subdivision (c)(3). If the total payments exceed the amount so determined for the taxable year, all or a part of the excess shall, at the election of the nonprofit organization, be refunded from the Trust Fund or retained in the Trust Fund as part of the payments ~~which~~ that may be required for the next calendar year.

(C) Payment of any bill rendered under subdivision (2) ~~or subdivision (3)~~ of this subsection (c) or this subdivision (c)(3) shall be made not later than 30 days after the bill is mailed to the last known address of the nonprofit organization or is otherwise delivered to it~~,~~ unless there has been an application for redetermination by the Commissioner or a petition for hearing before a referee in accordance with subdivision ~~(3)~~(E) of this ~~subsection~~ subdivision (c)(3).

(D) Payments made by any nonprofit ~~corporation~~ organization under the provisions of this section shall not be deducted or deductible, in whole or in part, from the remuneration of individuals in the employ of the organization.

(E)(i) The amount due specified in any bill from the Commissioner shall be conclusive on the organization unless, not later than 30 days after the date of the bill, the organization files an application for reconsideration by the Commissioner, or a petition for a hearing before a referee, setting forth the grounds for ~~such~~ the application or petition.

(ii) The Commissioner shall promptly review and reconsider the amount due specified in the bill and shall thereafter issue a redetermination in any case in which ~~such~~ an application for redetermination has been filed. Any such redetermination shall be conclusive on the organization unless, not later than 30 days after the date of the redetermination, the organization files a petition for a hearing before a referee~~,~~ setting forth the grounds for the petition.

(iii) Proceedings on the petition for a hearing before a referee on the amount of a bill rendered under this section or a redetermination of ~~such~~ the amount shall be in accordance with the provisions of section 1331 of this title, and the decision of the referee shall be subject to the provisions of that section. Review of the decision of the referee by the Employment Security Board shall be in accordance with, and its decision shall be subject to, the provisions of section 1332 of this title.

(F) Any employer, including the State of Vermont ~~which~~, that makes payments in lieu of contributions under this section shall be subject to the provisions of sections 1314, 1322, 1328, 1329, 1334, and 1336 of this title as follows:

(i) ~~that~~ The employer shall be liable for any reports ~~as~~ required by the Commissioner ~~may require~~ pursuant to sections 1314 and 1322 of this title~~;~~.

(ii) ~~that~~ The employer shall be liable for any penalty imposed pursuant to sections 1314 and 1328 of this title~~;~~.

(iii) ~~that~~ The employer shall be liable for the same interest on past due payments pursuant to subsection 1329(a) of this title~~;~~.

(iv) ~~that~~ The employer shall be subject to a civil action for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(b) and 1334(a) of this title~~; and~~.

(v) ~~that~~ The employer shall be subject to ~~those~~ actions for the collection of past due payments as if those payments were contributions pursuant to subsections 1329(c) and (d)~~,~~ and 1334(b) and (c)~~,~~ and section 1336 of this title; however, those provisions shall not apply to the State of Vermont.

(4) Authority to terminate elections. If any nonprofit organization is delinquent in making payments in lieu of contributions as required under this subsection, the Commissioner may terminate ~~such~~ the organization's election to make payments in lieu of contributions as of the beginning of the next taxable year, and the termination shall be effective for that and the next taxable year.

(5) Allocation of benefit costs.

(A) Each employer that is liable for payments in lieu of contributions shall pay to the Commissioner for the Trust Fund the amount of regular benefits plus the amount of one-half of extended benefits paid that are attributable to service in the employ of ~~such~~ the employer.

(B) If benefits paid to an individual are based on wages paid by more than one employer and one or more of ~~such~~ the employers are liable for payments in lieu of contributions, the amount payable to the Trust Fund by each employer that is liable for ~~such~~ payments in lieu of contributions shall be ~~determined in accordance with subdivisions (5)(A) and (B) of this subsection (c):~~

~~(A) Proportionate allocation when fewer than all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by one or more employers that are liable for payments in lieu of contributions and on wages paid by one or more employers who are liable for contributions, the amount of benefits payable by each employer that is liable for payments in lieu of contributions shall be~~ an amount ~~which~~ that bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by ~~such~~ the employer bear to the total base-period wages paid to the individual by all of ~~his or her~~ the individual's base-period employers.

~~(B) Proportionate allocation when all base-period employers are liable for reimbursement. If benefits paid to an individual are based on wages paid by two or more employers that are liable for payments in lieu of contributions, the amount of benefits payable by each employer shall be an amount which bears the same ratio to the total benefits paid to the individual as the total base-period wages paid to the individual by the employer bear to the total base-period wages paid to the individual by all of his or her base-period employers.~~

(6) Group accounts. Two or more employers that have become liable for payments in lieu of contributions, in accordance with the provisions of this section and section 1380 of this title, may file a joint application to the Commissioner for the establishment of a group account for the purpose of sharing the cost of benefits paid that are attributable to service in the employ of ~~such~~ the employers. Each application shall identify and authorize a group representative to act as the group's agent for the purpose of this section. Upon ~~his or her~~ approval of the application, the Commissioner shall establish a group account for ~~such~~ the employers effective as of the beginning of the calendar quarter in which ~~he or she~~ the Commissioner receives the application and shall notify the group's representative of the effective date of the account. The account shall remain in effect for not less than two years and thereafter until terminated at the discretion of the Commissioner or upon application by the group. Upon establishment of the account, each member of the group shall be liable for payments in lieu of contributions with respect to each calendar quarter in the amount that bears the same ratio to the total benefits paid in ~~such~~ the quarter that are attributable to service performed in the employ of all members of the group as the total wages paid for service in employment by ~~such~~ the member in ~~such~~ the quarter bear to the total wages paid during ~~such~~ the quarter for service performed in the employ of all members of the group. The Board shall ~~prescribe regulations~~ adopt rules as it deems necessary with respect to applications for establishment, maintenance, and termination of group accounts that are authorized by this subdivision, for addition of new members to, and withdrawal of active members from, such accounts, and for the determination of the amounts that are payable under this ~~section~~ subsection by members of the group and the time and manner of ~~such~~ the payments.

(7) ~~Notwithstanding any of the foregoing provisions of this section, any nonprofit organization that prior to January 1, 1969, paid contributions required by this section, and, pursuant to subsection (c) of this section, elects within 30 days after January 1, 1972, to make payments in lieu of contributions, shall not be required to make any such payment on account of any regular or extended benefits paid, on the basis of wages paid by such organization to individuals for weeks of unemployment which begin on and after the effective date of the election until the total amount of benefits equals the amount (1) by which the contributions paid by the organization with respect to the two-year period before the effective date of the election under subsection (b) of this section exceed (2) the total amount of unemployment benefits paid for the same period that were attributable to service performed in the employ of the organization and were charged to the experience rating record of the organization.~~ [Repealed.]

* * *

(f) Any employer who makes payments in lieu of contributions under the provisions of this section is considered to be self-insuring and shall pay to the Commissioner for the Unemployment Compensation Trust Fund ~~such~~ any amounts ~~as~~ the Commissioner finds to be due under this chapter, including benefits paid but denied on appeal or benefits paid in error ~~which~~ that cannot be properly charged either against another employer who makes payments in lieu of contributions or against the experience-rating record of another employer who pays contributions. Benefits improperly paid where repayment by the claimant is ordered pursuant to subsection 1347(a) or (b) of this title will be credited to the employer's account when repayment from the claimant is actually received by the Commissioner.

Sec. 42. NONPROFIT AND MUNICIPAL REIMBURSABLE EMPLOYERS; EDUCATION; OUTREACH

(a) On or before October 1, 2023, the Commissioner of Labor, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall develop information and education materials for nonprofit and municipal employers regarding the unemployment insurance system. At a minimum, the materials shall:

(1) explain the options available to nonprofit and municipal employers, including paying regular unemployment insurance contributions, reimbursing the Unemployment Insurance Trust Fund for attributable unemployment insurance costs, and, with respect to nonprofit employers, quarterly payments of estimated unemployment insurance costs;

(2) identify the potential benefits and drawbacks of each of the options identified in subdivision (1) of this subsection;

(3) provide information on how a nonprofit or municipal employer can evaluate its potential liability under each of the options identified in subdivision (1) of this subsection;

(4) provide information developed by the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders regarding how a nonprofit or municipal employer can plan and budget for the potential expenses associated with each of the options identified in subdivision (1) of this subsection; and

(5) provide additional information regarding the Unemployment Insurance program and related laws that the Commissioner determines, in consultation with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested

stakeholders, to be helpful or necessary for nonprofit and municipal employers.

(b)(1) The informational and educational materials developed pursuant to subsection (a) of this section shall be made available on the Department's website and shall, in coordination with the Secretary of State, Common Good Vermont, United Way of Northwest Vermont, the Vermont League of Cities and Towns, and other interested stakeholders, be shared directly with Vermont nonprofit and municipal employers to the extent practicable.

(2) The Secretary of State shall assist the Commissioner of Labor in identifying and contacting all active Vermont nonprofit employers. The Office of the Secretary of State shall also make available on its website a link to the information and educational materials provided on the Department of Labor's website pursuant to this section.

(c) The Department of Labor, in collaboration with the Vermont League of Cities and Towns, Common Good Vermont, United Way of Northwest Vermont, and other interested stakeholders, shall hold one or more informational sessions to present the materials and information developed pursuant to subsection (a) of this section to nonprofit employers and municipal employers. At least one session shall be held on or before November 1, 2023. Each session shall allow for both in-person and remote participation and shall be recorded. Recordings shall be made available to the public and to stakeholder organizations for distribution to their members.

Sec. 43. 2021 Acts and Resolves No. 183, Sec. 59(b)(6) is amended to read:

(6) Sec. 52g (prospective repeal of unemployment insurance benefit increase) shall take effect ~~upon the payment of a~~ when the cumulative ~~total~~ amount of additional benefits paid pursuant to 21 V.S.A. § 1338(e) ~~when,~~ compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2025 ~~equal to $92,000,000.00,~~ plus the ~~difference between $8,000,000.00 and the~~ amount of additional benefits paid ~~out~~ pursuant to section 52b~~, if any~~, compared to the amount that would have been paid pursuant to the provisions of 21 V.S.A. § 1338(f)(1) on June 30, 2022, equals $100,000,000.00 and shall apply to benefit weeks beginning after that date.

Sec. 44. UNEMPLOYMENT DUE TO URGENT, COMPELLING, OR NECESSITOUS CIRCUMSTANCES; COVERAGE; IMPACT; REPORT

(a) On or before January 15, 2024, the Commissioner of Labor shall submit a written report prepared in consultation with the Joint Fiscal Office to the

House Committee on Commerce and Economic Development and the Senate Committee on Economic Development, Housing and General Affairs regarding the potential impact of extending eligibility for unemployment insurance benefits to individuals who separate from employment due to urgent, compelling, or necessitous circumstances, including the individual's injury or illness, to obtain or recover from medical treatment, to escape domestic or sexual violence, to care for a child following an unexpected loss of child care, or to care for an ill or injured family member.

(b) The report shall include:

(1) a list of states in which individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are eligible for unemployment insurance and shall identify the specific circumstances for separation from employment in each identified state for which there is no waiting period or period of disqualification related to the circumstance;

(2) information, to the extent it is available, regarding the number of approved claims in the states identified pursuant to subdivision (1) of this subsection where the individual separated from employment due to circumstances similar to those described in subsection (a) of this section;

(3) an estimate of the projected range of additional approved claims per year in Vermont if individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section are made eligible for unemployment insurance;

(4) an estimate of the range of potential impacts on the Unemployment Insurance Trust Fund of making individuals who separate from employment due to circumstances similar to those described in subsection (a) of this section eligible for unemployment insurance; and

(5) any recommendations for legislative action.

Sec. 45. DOMESTIC AND SEXUAL VIOLENCE SURVIVORS' TRANSITIONAL EMPLOYMENT PROGRAM; UTILIZATION; REPORT

On or before January 15, 2024, the Commissioner of Labor 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 the utilization of the Domestic and Sexual Violence Survivors' Transitional Employment Program. The report shall include information regarding the utilization of the Program during the past 10 years, a summary of the Department's efforts to make members of the public aware of the Program and improve access to it, how the identified changes

have impacted utilization of the Program in comparison to prior years, any potential ways to further increase awareness and utilization of the Program, and any suggestions for legislative action to improve awareness or utilization of the Program.

Sec. 46. 21 V.S.A. § 1256 is added to read:

§ 1256. NOTIFICATION TO THE PUBLIC

The Department shall take reasonable measures to provide information to the public about the Program, including publishing information on the Department's website and providing timely materials related to the Program to public agencies of the State and organizations that work with domestic and sexual violence survivors, including law enforcement, State's Attorneys, community justice centers, the Center for Crime Victim Services, the Vermont Network Against Domestic and Sexual Violence (the Network), and any others deemed appropriate by the Commissioner in consultation with the Network.

* * * Effective Dates * * *

Sec. 47. EFFECTIVE DATES

(a) Except as provided in subsection (b) of this section, this act shall take effect on July 1, 2023.

(b)(1) Sec. 3 (determination of weighted long-term membership and per pupil education spending) shall take effect on July 1, 2026, subject to the contingency provisions in Sec. 3a.

(2) Sec. 5 (Child Care Financial Assistance Program; eligibility), Sec. 6 (provider rate adjustment; Child Care Financial Assistance Program), and Sec. 9 (payment to providers) shall take effect on January 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

(3) Sec. 5a (Child Care Financial Assistance Program; eligibility) and Sec. 5d (fiscal year 2024; family contribution) shall take effect on April 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties under this act.

(4) Sec. 5b (Child Care Financial Assistance Program; eligibility), Sec. 9a (payment to providers), and Sec. 10 (child care quality and capacity incentive program) shall take effect on July 1, 2024, except that the Commissioner for Children and Families shall initiate any rulemaking necessary prior to that date in order to perform the Commissioner's duties

under this act.

(5) Sec. 5c (Child Care Financial Assistance Program; eligibility) shall take effect on October 1, 2024.

(6) Sec. 24 (Child Care Contribution) shall take effect on July 1, 2024.

(7) Secs. 26 (Workers' Compensation Administrative Fund rate of contribution) and 28 (extension prior to proposed discontinuance of workers' compensation benefits) shall take effect on passage.

(8) Sec. 40 (extension of unemployment insurance to small nonprofit employers) shall take effect on July 1, 2024.

(9) Secs. 32 and 34 (sunset of workers' compensation dependent benefit increases) shall take effect on July 1, 2028.

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

An act relating to child care, early education, workers' compensation, and unemployment insurance.

Which was agreed to.

Thereupon, the bill was read the third time and passed in concurrence with proposal of amendment, on a roll call, Yeas 24, Nays 6.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Williams.

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

House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 470.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous amendments to alcoholic beverage laws.

Was taken up.

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

Sec. 1. 7 V.S.A. § 2 is amended to read:

§ 2. DEFINITIONS

As used in this title:

* * *

(44) ~~"Cider"~~ "Hard cider" means a vinous beverage, made a majority from the fermented natural sugar content of apples or pears, that contains an alcoholic content of not less than one percent or more than 16 percent by volume at 60 degrees Fahrenheit. ~~"Cider"~~ "Hard cider" includes sweetened, flavored, and carbonated hard cider.

Sec. 2. 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:

* * *

(9) For ~~up to ten~~ each fourth-class ~~licenses~~ license, $70.00.

* * *

(12) For a ~~festival~~ sampling event permit, $125.00.

* * *

(14) For ~~an educational sampling~~ a limited event permit, $250.00.

* * *

Sec. 3. 7 V.S.A. § 224 is amended to read:

§ 224. FOURTH-CLASS LICENSES

(a) The Board of Liquor and Lottery may grant up to a combined total of ~~ten~~ 20 fourth-class licenses to a manufacturer or rectifier that submits an application and the fee provided in section 204 of this title.

* * *

Sec. 4. 7 V.S.A. § 228 is amended to read:

§ 228. SAMPLER FLIGHTS

(a) The holder of a first-class license may serve a sampler flight of up to 32 ounces in the aggregate of malt beverages or hard ciders to a single customer at one time.

* * *

Sec. 5. 7 V.S.A. § 251 is amended to read:

§ 251. ~~EDUCATIONAL SAMPLING~~ LIMITED EVENT PERMIT

(a) The Division of Liquor Control may grant ~~an educational sampling~~ a limited event permit to a person if:

(1) the limited event is also approved by the local control commissioners; and

(2) at least 15 days prior to the event, the applicant submits an application to the Division in a form required by the Commissioner that ~~includes a list of the alcoholic beverages to be acquired for sampling at the event and~~ is accompanied by the fee provided in section 204 of this title.

(b)(1) ~~An educational sampling~~ A limited event permit holder ~~is permitted to conduct an event that is open to the public at which~~ may purchase invoiced volumes of malt beverages, vinous beverages, ready-to-drink spirits beverages, fortified wines, or spirits, or all five ~~are served only for the purposes of marketing and educational sampling~~, directly from a manufacturer, packager, wholesale dealer, or importer licensed in Vermont or a manufacturer or packager that holds a federal Basic Permit or Brewer's Notice or evidence of licensure in a foreign country that is satisfactory to the Board.

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

(c)~~(1)~~ ~~No~~ Not more than four ~~educational sampling~~ limited event permits shall be issued annually to the same person~~.~~, and

~~(2) An educational sampling event~~ each permit shall be valid for ~~no~~ not more than four consecutive days.

(d) The permit holder shall ~~ensure all the following:~~

~~(1) Attendees at the educational sampling event shall be required to pay an entry fee of not less than $5.00.~~

~~(2)(A) Malt beverages, vinous beverages, or ready-to-drink spirits beverages for sampling shall be offered in glasses that contain not more than two ounces of either beverage.~~

~~(B) Fortified wines and spirits for sampling shall be offered in glasses that contain no more than one-quarter ounce of either beverage.~~

~~(3) The event shall be conducted in compliance with all the requirements~~ be subject to the provisions of this title, including section 214 of this title, and the rules of the Board regarding the sale of alcoholic beverages. The permit holder shall pay the tax on the alcoholic beverages served at the event pursuant to section 421 of this title.

~~(e) An educational sampling event permit holder:~~

~~(1) may receive shipments directly from a manufacturer, packager, certificate of approval holder, wholesale dealer, or importer licensed in Vermont or that provides evidence of licensure in another state or foreign country satisfactory to the Board;~~

~~(2) may transport alcoholic beverages to the event site, and those beverages may be served at the event by the permit holder or the holder's employees, volunteers, or representatives of a manufacturer, packager, or importer participating in the event, provided they meet the server age and training requirements under section 259 of this chapter; and~~

~~(3) shall mark all cases and bottles of alcoholic beverages to be served at the event "For sampling only. Not for resale."~~

~~(f) Taxes for the alcoholic beverages served at the event shall be paid as follows:~~

~~(1) malt beverages:~~

~~(A) $0.265 per gallon of malt beverages served that contain not more than six percent alcohol by volume at 60 degrees Fahrenheit; and~~

~~(B) $0.55 per gallon of malt beverages served that contain more than six percent alcohol by volume at 60 degrees Fahrenheit;~~

~~(2) vinous beverages: $0.55 per gallon served;~~

~~(3) spirits: $19.80 per gallon served;~~

~~(4) fortified wines: $19.80 per gallon served; and~~

~~(5) ready-to-drink spirits beverages: $1.10 per gallon served.~~

Sec. 6. 7 V.S.A. § 253 is amended to read:

§ 253. ~~FESTIVAL~~ SAMPLING EVENT PERMITS

(a) The Division of Liquor Control may grant a ~~festival~~ sampling event permit if the applicant has:

* * *

(2) submitted a request for ~~a festival~~ the permit to the Division in a form required by the Commissioner at least 15 days prior to the ~~festival~~ event; and

* * *

(b) ~~A festival~~ An event 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, ready-to-drink spirits beverages, fortified wines, or spirits.

(c) A ~~festival~~ sampling event 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, ready-to-drink spirits beverages, fortified wines, or spirits.

(d) The permit holder shall ensure the following:

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

* * *

(2)(A) Malt beverages and hard ciders 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.

* * *

(E) Patrons attending a ~~festival~~ sampling event where combinations of malt beverages, vinous beverages, ready-to-drink spirits beverages, 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.

* * *

(e)(1) A ~~festival~~ sampling event permit holder may purchase invoiced volumes of malt beverages, vinous beverages, or ready-to-drink spirits 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.

* * *

(f) A ~~festival~~ sampling event 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 beverages, vinous beverages, or ready-to-drink spirits beverages pursuant to section 421 of this title.

(g) A person shall be granted not more than four ~~festival~~ sampling event permits per year, and each permit shall be valid for not more than four consecutive days.

Sec. 7. 7 V.S.A. § 421 is amended to read:

§ 421. TAX ON MALT AND VINOUS BEVERAGES

(a) Every packager and wholesale dealer shall pay to the Commissioner of Taxes:

(1) the sum of 26 and one-half cents per gallon for every gallon or its equivalent of:

* * *

(B) hard ciders containing not more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State;

(2) the sum of 55 cents per gallon for each gallon of:

* * *

(B) hard ciders containing more than seven percent of alcohol by volume at 60 degrees Fahrenheit sold by them to retailers in the State; and

* * *

Sec.8. 2021 Acts and Resolves No. 70, Sec. 7 is amended to read:

Sec. 7. REPEAL

7 V.S.A. § 230 is repealed on July 1, ~~2023~~ 2025.

Sec. 9. DEPARTMENT OF LIQUOR AND LOTTERY; ALCOHOLIC BEVERAGES; PUBLIC SAFETY IMPACT STUDY AND REPORT

On or before January 15, 2025, the Department of Liquor and Lottery, in consultation with other stakeholders, shall study and report on the public safety impacts of the sale of alcoholic beverages for off-premises consumption since the passage of 7 V.S.A. § 230. The Department shall submit the written report

to the House Committee on Government Operations and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs. The Department shall include with its findings any recommendations for legislative action.

Sec. 10. EFFECTIVE DATES

(a) This section and Sec. 8 (extension of sunset; 7 V.S.A. 230) shall take effect on passage.

(b) All other sections shall take effect on July 1, 2023.

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; Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 471.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to technical and administrative changes to Vermont's tax laws.

Was taken up for immediate consideration.

Senator Cummings, for the report of the Committee on Finance, recommended 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:

* * * Annual Link to Federal Statutes * * *

Sec. 1. 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, ~~2021~~ 2022, 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. 2. 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, ~~2021~~ 2022. 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.

* * * Taxation of Alcoholic Beverages * * *

Sec. 3. 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:

* * *

(10) Sales of meals or alcoholic beverages taxed or exempted under chapter 225 of this title, except alcoholic beverages under subdivision 9202(10)(D)(v) or (11)(B)(i) of this title, or any alcoholic beverages ~~provided~~ served for immediate consumption.

* * *

Sec. 4. 32 V.S.A. § 9202 is amended to read:

§ 9202. DEFINITIONS

As used in this chapter ~~unless the context clearly indicates a different meaning~~:

* * *

(10) "Taxable meal" means:

* * *

(D) "Taxable meal" ~~shall~~ does not include:

* * *

(v) Alcoholic beverages produced or manufactured by the restaurant or operator and sold in sealed containers for consumption off premises, provided the restaurant or operator is licensed to sell alcohol by the Department of Liquor and Lottery pursuant to 7 V.S.A. chapter 9.

(11)(A) "Alcoholic beverages" ~~means any malt beverages, vinous beverages, spirits, or fortified wines~~ has the same meaning as defined in 7 V.S.A. § 2 ~~and~~ when served for immediate consumption.

(B) "Alcoholic beverages" shall be exempt from the tax imposed under section 9241 of this chapter when:

(i) produced or manufactured by a restaurant or operator and sold in sealed containers for consumption off premises, provided the restaurant or operator is licensed to sell alcohol by the Department of Liquor and Lottery pursuant to 7 V.S.A. chapter 9; or

(ii) served under the circumstances enumerated in subdivision (10)(D)(ii) of this section under which food or beverages or alcoholic beverages are excepted from the definition of "taxable meal."

* * *

* * * Refunds; Meals and Rooms Tax; Local Option Tax * * *

Sec. 5. 32 V.S.A. § 9245 is amended to read:

§ 9245. OVERPAYMENT; REFUNDS

(a) Upon application by an operator, if the Commissioner determines that any tax, interest, or penalty has been paid more than once, or has been erroneously or illegally collected or computed, the same shall be credited by the Commissioner on any taxes then due from the operator under this chapter, and the balance shall be refunded to the operator or ~~his or her~~ the operator's successors, administrators, executors, or assigns, together with interest at the rate per annum established from time to time by the Commissioner pursuant to section 3108 of this title. That interest shall be computed from the latest of 45 days after the date the return was filed, 45 days after the date the return was due, including any extensions of time thereto, with respect to which the excess payment was made, or, if the taxpayer filed an amended return or otherwise requested a refund, 45 days after the date such amended return or request was filed. Provided, however, no such credit or refund shall be allowed after three years from the date the return was due.

(b) An operator must prove the following to be eligible for a refund under this section:

(1) that the tax was erroneously or illegally collected or computed; and

(2) that any erroneously or illegally collected or computed tax is or will be returned to the purchaser, unless the operator made the overpayment.

(c) A purchaser may seek a refund from the Department if the purchaser establishes that the tax was erroneously or illegally collected or computed. The Commissioner shall refund a purchaser in the same manner as under subsection (a) of this section.

Sec. 6. 24 V.S.A. § 138(c) is amended to read:

(c)(1) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes and subdivision (2) of this subsection; provided, however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of $5.96 shall be assessed to compensate the Department for the costs of administration and collection, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.

(2) Notwithstanding any other law or municipal charter to the contrary, if the Commissioner determines that local option tax was collected on a transaction in a municipality not authorized to impose local option tax under this section, the Commissioner shall either refund the erroneously collected tax pursuant to 32 V.S.A. chapter 233 or 225 or, if the purchaser cannot reasonably be determined, deposit the erroneously collected tax as required for State sales and use tax pursuant to 16 V.S.A. § 4025(a)(6) or State meals and rooms tax pursuant to 10 V.S.A. § 1388(a)(4), 16 V.S.A. § 4025(a)(4), and 32 V.S.A. § 435(b)(7).

* * * Report; Department of Taxes; Tax Refund Notice to Purchasers * * *

Sec. 7. REPORT; DEPARTMENT OF TAXES; TAX REFUND NOTICE TO PURCHASERS

On or before January 15, 2024, the Department of Taxes shall submit a written report to the House Committees on Commerce and Economic Development and on Ways and Means and the Senate Committees on Economic Development, Housing and General Affairs and on Finance recommending legislative action to require licensed operators, restaurants, and vendors to notify purchasers of the occurrence of erroneously or illegally collected sales and use tax, meals and rooms tax, alcoholic beverages tax, and any associated local option tax by the license holder and the purchasers' right to request a refund for overpayments. The Department's report shall include recommendations for legislative action regarding the following:

(1) a threshold based on a dollar amount or number of transactions, or both, exceeding which a licensed operator, restaurant, or vendor would be required to notify purchasers of erroneous or illegal tax collection by the license holder and the purchasers' right to request a refund from the license holder or the Department;

(2) options for the types, forms, and duration of time of the required notices;

(3) the role of the Department in identifying erroneous or illegal tax collection, alerting license holders of their notice requirements, and providing oversight of license holders' compliance with the required notices; and

(4) any other relevant considerations, including the tax information confidentiality requirements under 32 V.S.A. § 3102.

* * * Sales Tax Exemption; Advanced Wood Boilers * * *

Sec. 8. 2018 Acts and Resolves No. 194, Sec. 26b(a), as amended by 2019 Acts and Resolves No. 83, Sec. 14, is further amended to read:

(a) 32 V.S.A. ~~§~~ §§ 9741(52) (sales tax exemption for advanced wood boilers) and 9706(ll) (statutory purpose; sales tax exemption for advanced wood boilers) shall be repealed on July 1, ~~2023~~ 2024.

* * * Computer Assisted Property Tax Administration Program Fees * * *

Sec. 9. 32 V.S.A. § 3404 is amended to read:

§ 3404. ~~CAPTAP FEES~~

~~(a) The Director is authorized to charge fees for data processing and support services rendered to municipalities relative to the Computer Assisted Property Tax Administration Program (CAPTAP) as follows:~~

~~(1) when the Department performs routine data processing for a municipality, $1.75 per parcel;~~

~~(2) when the Department performs data processing services in connection with a town reappraisal, $2.00 per parcel; and~~

~~(3) when the Department performs support, training, or consulting services for municipalities using CAPTAP at their own sites: $350.00 per year for municipalities with fewer than 500 parcels; $450.00 per year for municipalities with 500 to 1,000 parcels; $550.00 per year for municipalities with 1,001 to 2,000 parcels; and $650.00 per year for municipalities with more than 2,000 parcels.~~

~~(b) Pursuant to subdivision 603(2) of this title, these fees may be adjusted.~~

~~(c) The fees collected in subsection (a) of this section shall be credited to the CAPTAP fees special fund established and managed pursuant to chapter 7, subchapter 5 of this title, and shall be available to offset the costs of providing those services.~~ [Repealed.]

Sec. 10. 32 V.S.A. § 3410 is amended to read:

§ 3410. ~~MAINTENANCE OF DUPLICATE PROPERTY RECORDS~~

~~(a) To supplement and ensure the safekeeping of town records, the Director shall establish and maintain a central file of municipal grand lists. These grand lists shall be maintained at the office of the Division for a period of two years.~~

~~(b) The town clerks of each town and city shall provide the Director with one copy of the grand list at a reasonable charge.~~

~~(c) At a reasonable charge to be established by the Director, the Director shall supply to any person or agency a copy of any document contained in the file established under this section.~~ [Repealed.]

* * * Current Use * * *

Sec. 11. 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 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 the farmer was prevented from applying on or before September 1 of the previous year due to the severe illness of the farmer.

(b) [Repealed.]

(c) The Director shall notify the applicant ~~no~~ not later than April 15 of ~~his or her~~ the Director's decision to classify or refusal to classify ~~his or her~~ the applicant's property as eligible for use value appraisal ~~by delivery of such notification to him or her in person or by mailing such notification to his or her last and usual place of abode~~. In the case of a refusal, the Director shall state the reasons therefor in the notification.

* * *

(f) Each year the Director shall determine whether previously classified property is still eligible for use value appraisal and whether the amount of the previous appraisal is still valid. If the Director determines that previously classified property is no longer eligible, or that the property has undergone a

change in use such that the use change tax may be levied in accordance with section 3757 of this chapter, or that the use value appraisal should be fixed at a different amount than the previous year, ~~he or she~~ the Director shall thereafter notify the property owner of that determination ~~by delivery of the notification to him or her in person or by mailing such notification to his or her last and usual place of abode~~.

* * *

(h) ~~By~~ On or before March 15, the Director shall ~~mail~~ provide to each municipality a list of property in the municipality that is to be taxed based on its use value appraisal. The list shall include the owners' names, a grand list number or description of each parcel of land to be appraised at use value, the acreage to be taxed on the basis of use value, the use values to be used for land, and the number and type of farm buildings to be appraised by the assessing officials at use value. The assessing officials shall determine the listed value of the land to be taxed at use value and its estimated fair market value~~,~~ and fill in these values and the difference between them on the form. This form shall be used by the Treasurer or the collector of current taxes to make up tax bills such that the owner is billed only for taxes due on ~~his or her~~ the owner's property not enrolled in the program, plus taxes due on the use value of property enrolled in the program. The assessing officials shall submit the completed form to the Director ~~by~~ on or before July 5.

* * *

(2)(A) The Director shall remove from use value appraisal an entire parcel or parcels of agricultural land and farm buildings identified by the Secretary of Agriculture, Food and Markets as being used by a person:

* * *

(B) The Director shall notify the owner that agricultural land or a farm building has been removed from use value appraisal by ~~mailing~~ providing notification of removal to the owner ~~or operator's last and usual place of abode~~. After removal of agricultural land or a farm building from use value appraisal under this section, the Director shall not consider a new application for use value appraisal for the agricultural land or farm building until the Secretary of Agriculture, Food and Markets submits to the Director a certification that the owner or operator of the agricultural land or farm building is complying with the water quality requirements of 6 V.S.A. chapter 215 or an order issued under 6 V.S.A. chapter 215. After submission of a certification by the Secretary of Agriculture, Food and Markets, an owner or operator shall be eligible to apply for enrollment of the agricultural land or farm building according to the requirements of this section.

* * *

Sec. 12. 32 V.S.A. § 3757(m) is added to read:

(m) Land owned or acquired by a Native American tribe or a nonprofit organization that qualifies for an exemption under subdivision 3802(21) of this title shall be exempt from the levy of a land use change tax under this section.

* * * Property Transfer Tax; Controlling Interests; Nonprofits * * *

Sec. 13. 32 V.S.A. § 9603 is amended to read:

§ 9603. EXEMPTIONS

The following transfers are exempt from the tax imposed by this chapter:

* * *

(14)(A) Transfers to organizations qualifying under 26 U.S.C. § 501(c)(3), as amended, and that prior to the transfer have been determined to meet the "public support" test of 26 U.S.C. § 509(a)(2), as amended, provided one of the stated purposes of the organization is to acquire property or rights and less than fee interest in property in order to preserve farmland or open-space land, and provided that the property transferred, or rights and interests in the property, will be held by the organization for this purpose. As used in this section, "farmland" means real estate that will be actively operated or leased as part of a farm enterprise, including dwellings and agricultural structures, and "open-space land" ~~shall mean~~ means land without structures thereon.

* * *

(C)(i) Transfers from one organization qualifying under 26 U.S.C. § 501(c)(3), as amended, to another organization qualifying under 26 U.S.C. § 501(c)(3), provided the organizations are related organizations and the Commissioner does not determine that a major purpose of the transaction is to avoid the tax imposed under this chapter. As used in this subdivision (C), "related organizations" means one organization holds 50 percent or more of the membership interest of the other organization or one organization appoints or elects, including the power to remove and replace, 50 percent or more of the members of the other organization's governing body.

(ii)(I) Notwithstanding subdivision (i) of this subdivision (C), a transferee organization that receives property in a transfer exempt under subdivision (i) of this subdivision (C) shall pay the tax imposed under this chapter on the value of the property transferred if:

(aa) not more than three years after the date of the first transfer, the transferee subsequently transfers any portion of the property;

(bb) the second transfer is not exempt under subdivision (i) of this subdivision (C) as a transfer between related organizations; and

(cc) the Commissioner determines that a major purpose of the transaction is to avoid the tax imposed under this chapter.

(II) The tax imposed under this subdivision (C)(ii) on the value of the property transferred at the time of the first transfer shall be due not later than 30 days after the second transfer and shall apply in addition to any tax due under this chapter from the subsequent transferee on the second transfer.

* * *

* * * Personal Income Tax Credits * * *

Sec. 14. 32 V.S.A. § 5828c is amended to read:

§ 5828c. CHILD AND DEPENDENT CARE CREDIT

A resident or part-year resident of this State shall be eligible for a refundable credit against the tax imposed under section 5822 of this title. The credit shall be equal to 72 percent of the federal child and dependent care credit allowed to the taxpayer for the taxable year for child or dependent care services ~~provided in this State~~. The amount of the credit for a part-year resident shall be multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

Sec. 15. 32 V.S.A. § 5828b(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to an earned income tax credit granted under the laws of the United States or who would have been entitled to an earned income tax credit under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number shall be entitled to a credit against the tax imposed for each year by section 5822 of this title. The credit shall be 38 percent of the earned income tax credit granted to the individual under the laws of the United States or that would have been granted to the individual under the laws of the United States but for the fact that the individual, the individual's spouse, or one or more of the individual's children does not have a qualifying taxpayer identification number, multiplied by the percentage that the individual's ~~earned~~ income that is earned or received during the period of the individual's residency in this State bears to the individual's total ~~earned~~ income.

Sec. 16. 32 V.S.A. § 5830f(a) is amended to read:

(a) A resident individual or part-year resident individual who is entitled to

a child tax credit under the laws of the United States or who would have been entitled to a child tax credit under the laws of the United States but for the fact that the individual or the individual's spouse does not have a taxpayer identification number shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of $1,000.00 per qualifying child, as defined under 26 U.S.C. § 152(c) but notwithstanding the taxpayer identification number requirements under 26 U.S.C. § 24(e) and (h)(7), who is five years of age or younger as of the close of the calendar year in which the taxable year of the taxpayer begins. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual's income that is earned or received during the period of the individual's residency in this State bears to the individual's total income.

Sec. 17. 32 V.S.A. § 5830 is added to read:

§ 5830. TAXPAYER IDENTIFICATION NUMBERS; CREDITS

(a) The Commissioner shall provide a process for an individual to claim the child tax credit or the earned income tax credit, or both, pursuant to subsections 5828b(a) and 5830f(a) of this title when the individual, the individual's spouse, or one or more of the individual's qualifying children does not have a taxpayer identification number. The Commissioner shall not inquire about or record the citizenship and immigration status of an individual, an individual's spouse, or one or more of an individual's qualifying children when an individual claims one or more credits pursuant to this section and subsections 5828b(a) and 5830f(a) of this title.

(b) Upon the Commissioner's request, an individual who claims one or more credits pursuant to subsections 5828b(a) and 5830f(a) of this title shall provide valid documents establishing the identity and income for the taxable year of the individual and, as applicable, the individual's spouse and qualifying children. Upon receiving a valid Social Security number issued by the Social Security Administration, the individual shall notify the Commissioner in the time and manner prescribed by the Commissioner.

(c) All claims submitted and records created pursuant to this section and subsections 5828b(a) and 5830f(a) of this title shall be exempt from public inspection and copying under the Public Records Act 1 V.S.A. § 317(c)(6) and shall be kept confidential as return or return information pursuant to section 3102 of this title.

Sec. 18. 32 V.S.A. § 5830f(d) is added to read:

(d)(1) The Commissioner shall establish a program to make advance

quarterly payments of the credit under this section during the calendar year that, in the aggregate, equal 50 percent of the annual amount of the credit allowed to each individual for the taxable year. The quarterly payments made to an individual during the calendar year shall be in equal amounts, except that the Commissioner may modify the quarterly amount upon receipt of any information furnished by the individual that allows the Commissioner to determine the annual amount. The remaining 50 percent of the annual amount of the credit allowed to each individual shall be determined at the time of filing a Vermont personal income tax return for the taxable year pursuant to section 5861 of this title.

(2) The Commissioner shall provide a process by which individuals may elect not to receive advance payments under this subsection.

* * * Pass-throughs; Composite Payment Rate for Nonresidents * * *

Sec. 19. 32 V.S.A. § 5914(b) is amended to read:

(b) The Commissioner may upon request and for ease of administration permit S corporations to file composite returns and to make composite payments of tax on behalf of some or all of its nonresident shareholders. In addition, the Commissioner may require an S corporation that has in excess of 50 nonresident shareholders to file composite returns and to make composite payments at the ~~middle~~ second-highest marginal rate on behalf of all of its nonresident shareholders.

Sec. 20. 32 V.S.A. § 5920(b) is amended to read:

(b) The Commissioner may permit a partnership or limited liability company to file composite returns and to make composite payments of tax on behalf of some or all of its nonresident partners or members. In addition, the Commissioner may require a partnership or limited liability company that has in excess of 50 nonresident partners or members to file composite returns and to make composite payments at the ~~middle~~ second-highest marginal rate on behalf of all of its nonresident partners or members.

* * * Property Tax Valuation; Qualified Rental Units; VHFA Certificate * * *

Sec. 21. 32 V.S.A. § 5404a(a) is amended to read:

(a) A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

* * *

(6) An exemption of a portion of the value of a qualified rental unit parcel. An owner of a qualified rental unit parcel shall be entitled to an

exemption on the education property tax grand list of 10 percent of the grand list value of the parcel, multiplied by the ratio of square footage of improvements used for or related to residential rental purposes to total square footage of all improvements, multiplied by the ratio of qualified rental units to total residential rental units on the parcel. "Qualified rental units" means residential rental units that are subject to rent restriction under provisions of State or federal law~~,~~ but excluding units subject to rent restrictions under only one of the following programs: Section 8 moderate rehabilitation, Section 8 housing choice vouchers, or Section 236 or Section 515 rural development rental housing. A municipality shall allow the percentage exemption under this subsection upon presentation by the taxpayer to the municipality, by April 1, of a certificate of education grand list value exemption obtained from the Vermont Housing Finance Agency (VHFA). VHFA shall issue a certificate of exemption upon presentation by the taxpayer of information that VHFA and the Commissioner shall require. A certificate of exemption issued by VHFA under this subsection shall expire upon transfer of the building, upon expiration of the rent restriction, or after 10 years, whichever first occurs~~.~~ ~~The~~; provided, however, that the certificate of exemption may be renewed ~~once~~ after 10 years and every 10 years thereafter if VHFA finds that the property continues to meet the requirements of this subsection.

* * * Property Tax Credit; Filing Deadlines * * *

Sec. 22. 32 V.S.A. § 6068 is amended to read:

§ 6068. APPLICATION AND TIME FOR FILING

(a) A property tax credit claim or request for allocation of an income tax refund to homestead property tax payment shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension, and shall describe the school district in which the homestead property is located and shall particularly describe the homestead property for which the credit or allocation is sought, including the school parcel account number prescribed in subsection 5404(b) of this title. A renter credit claim shall be filed with the Commissioner on or before the due date for filing the Vermont income tax return, without extension.

(b) If the claimant fails to file a timely claim, the amount of the property tax credit under this chapter shall be reduced by $15.00, but not below $0.00, which shall be paid to the municipality for the cost of issuing an adjusted homestead property tax bill. ~~No benefit shall be allowed in the calendar year unless the claim is filed with the Commissioner on or before October 15.~~ If the claimant files a claim after October 15 but on or before March 15 of the following calendar year, the property tax credit under this chapter:

(1) shall be reduced in amount by $150.00, but not below $0.00;

(2) shall be issued directly to the claimant; and

(3) shall not require the municipality where the claimant's property is located to issue an adjusted homestead property tax bill.

(c) No request for allocation of an income tax refund or for a renter credit claim may be made after October 15. No property tax credit claim may be made after March 15 of the calendar year following the due date under subsection (a) of this section.

* * * Vermont Bond Bank * * *

Sec. 23. 24 V.S.A. chapter 119 is redesignated to read:

CHAPTER 119. ~~MUNICIPAL~~ VERMONT BOND BANK

Sec. 24. 24 V.S.A. § 4551 is amended to read:

§ 4551. DEFINITIONS

~~The following definitions shall apply throughout~~ As used in this chapter ~~unless the context clearly requires otherwise~~:

(1) "Bank" means the Vermont ~~Municipal~~ Bond Bank established by section 4571 of this title.

* * *

(7) "Municipal bond" means a bond or note or evidence of debt or financing arrangement of a governmental unit, including a bond, note, or evidence of debt, constituting a general obligation of a governmental unit, but does not include any bond or note or evidence of debt issued by any other state or any public body or municipal corporation thereof.

* * *

(10) "Public body" means any public body corporate and politic or any political subdivision of the State established under any law of the State ~~that may issue its bonds or notes, whether heretofore or hereafter established~~.

(11) "Reserve Fund" means the Vermont ~~Municipal~~ Bond Bank Reserve fund established under section 4671 of this title.

* * *

(13) "Revenue bond" means a bond or note or evidence of debt constituting an obligation or financing arrangement of a governmental unit authorized under laws of the State and payable solely ~~out of the earnings or profits derived, or to be derived, from the operation of a public utility, authorized and issued in accordance with subchapter 2 of chapter 53 of this~~

~~title~~ from revenues derived from the financed asset, enterprise funds, or other specified revenues and the earnings thereon.

(14) "Revenue Bond Reserve Fund" means the Vermont ~~Municipal~~ Bond Bank Revenue Bond Reserve Fund established under section 4681 of this title.

(15) "Revenue Fund" means the Vermont ~~Municipal~~ Bond Bank Revenue Fund established under section 4683 of this title.

Sec. 25. 24 V.S.A. § 4571 is amended to read:

§ 4571. ESTABLISHMENT

There is hereby established a body corporate and politic, with corporate succession, to be known as the "Vermont ~~Municipal~~ Bond Bank." The Bank is hereby constituted as an instrumentality exercising public and essential governmental functions, and the exercise by the Bank of the powers conferred by this chapter are deemed to be an essential governmental function of the State.

Sec. 26. 24 V.S.A. § 4571a is amended to read:

§ 4571a. REPORTS

The Vermont ~~Municipal~~ Bond Bank shall prepare and submit, consistent with 2 V.S.A. § 20(a), a report on activities for the preceding calendar year, pursuant to section 4594 of this title.

Sec. 27. 24 V.S.A. § 4592 is amended to read:

§ 4592. SUPPLEMENTARY POWERS

The Bank, in addition to any other powers granted in this chapter, has the following powers:

* * *

(3) To establish any terms and provisions with respect to any loan to governmental units through the purchase of municipal bonds or revenue bonds by the Bank, including date and maturities of the bonds, provisions as to redemption or payment prior to maturity, and any other matters ~~which~~ that are necessary, desirable, or advisable in the judgment of the Bank.

* * *

(10) To issue bonds, other forms of indebtedness, or other financing obligations or arrangements for projects relating to renewable energy, ~~as defined in 30 V.S.A. § 8002(17), or to~~ energy efficiency, climate adaptation, and projects ~~under subchapter 2 of chapter 87 of this title. Bonds shall be~~

~~supported by both the general obligation and the assessment payment revenues of the participating municipality~~ that otherwise result in the reduction of greenhouse gas emissions.

Sec. 28. 24 V.S.A. § 4652 is amended to read:

§ 4652. WAIVER OF DEFENSES; RIGHTS OF HOLDER

On the sale and issuance of any municipal bonds or revenue bonds to the Bank by any governmental unit, that governmental unit is deemed to agree that on the failure of that governmental unit to pay interest or principal on any of the municipal bonds or revenue bonds owned or held by the Bank when payable, all defenses to nonpayment are waived; and further, with respect to municipal bonds that constitute general obligation bonds supported by the full faith and credit of the municipality, upon nonpayment and demand on that governmental unit for payment, if funds are not available in its treasury to make payment, the governing body of that governmental unit shall forthwith assess a tax on the grand list of the governmental unit, sufficient to make payment with 12 percent interest thereon, and cause the tax to be collected within 60 days; and further, with respect to municipal bonds that do not constitute general obligation bonds supported by the full faith and credit of the municipality and revenue bonds, upon nonpayment and demand on that governmental unit for payment, such governmental unit shall make payment together with interest thereon of 12 percent, which shall be due and payable within 60 days; and further, notwithstanding any other law, including any law under which the municipal bonds or revenue bonds were issued by that governmental unit, the Bank upon nonpayment is constituted a holder or owner of the municipal bonds or revenue bonds as being in default. Also, notwithstanding any other law as to time or duration of default or percentage of holders or owners of bonds entitled to exercise rights of holders or owners of bonds in default, or to invoke any remedies or powers thereof or of any trustee in connection therewith or of any board, body, agency, or commission of the State having jurisdiction in the matter or circumstance, the Bank may thereupon avail itself of all other remedies, rights, and provisions of law applicable in that circumstance, and the failure to exercise or exert any rights or remedies within any time or period provided by law may not be raised as a defense by the governmental unit. All of the bonds of the issue of municipal bonds or revenue bonds of a governmental unit on which there is nonpayment, are for all of the purposes of this section deemed to be due and payable and unpaid. The Bank may carry out the provisions of this section and exercise all of the rights and remedies and provisions of law provided or referred to in this section.

Sec. 29. 24 V.S.A. § 4676 is amended to read:

§ 4676. GENERAL FUND

* * *

(b) Any monies in the General Fund may, subject to any contracts between the Bank and its bondholders or noteholders, be transferred to the Reserve Fund established pursuant to section 4671 of this title, or if not so transferred, shall be used for the payment of the principal of or interest on bonds or notes of the Bank presently outstanding and any bonds or notes on a parity therewith, and any bonds or notes issued to refund such bonds or notes, all when they become due and payable, whether at maturity or upon redemption including payment of any premium upon redemption prior to maturity, and any monies in the General Fund may be used ~~for the purchase of municipal bonds~~ to make loans to governmental units under this chapter and for all other purposes of the Bank including payment of its operating expenses.

Sec. 30. 24 V.S.A. § 4683 is amended to read:

§ 4683. REVENUE FUND

(a) The Bank shall establish and maintain a fund called the "Revenue Fund" in which there shall be deposited:

* * *

(3) monies received by the Bank as payments of principal of or interest on municipal bonds or revenue bonds purchased by the Bank, or received as proceeds of sale of any municipal bonds or revenue bonds or investment obligations of the Bank, or otherwise in repayment of loans made by the Bank, or received as proceeds of sale of bonds or notes of the Bank, and required under the terms of any resolution of the Bank or contract with the holders of its bonds or notes to be deposited therein;

* * *

(b) Any monies in the Revenue Fund may, subject to any contracts between the Bank and its bondholders or noteholders, be transferred to the Revenue Bond Reserve Fund, or if not so transferred, shall be used for the payment of the principal of or interest on bonds or notes of the Bank as provided by resolution of the Bank when they become due and payable, whether at maturity or upon redemption including payment of any premium upon redemption prior to maturity, and any monies in the Revenue Fund may be used f~~or the purchase of municipal bonds and revenue bonds~~ for making loans to governmental units under this chapter and for all other purposes of the Bank including payment of its operating expenses.

Sec. 31. 24 V.S.A. § 4703 is amended to read:

§ 4703. POWERS OF TRUSTEE ON DEFAULT

A trustee appointed under section 4702 of this title may, and shall in ~~his or her or it's~~ the trustee's name, upon written request of the holders of 25 per centum in principal amount of the outstanding notes or bonds:

(1) By suit, action, or proceeding, enforce all rights of the noteholders or bondholders, including the right to require the Bank to collect rates, charges, and other fees and to collect interest and amortization payments on loans made to governmental units and on municipal bonds, revenue bonds, and notes held by it adequate to carry out any agreement as to, or pledge of, the rates, charges, and other fees and of the interest and amortization payments, and to require the Bank to carry out any other agreements with the holders of the notes or bonds and to perform its duties under this chapter;

* * *

* * * Study of Financing Public Infrastructure Improvements * * *

Sec. 32. FINANCING PUBLIC INFRASTRUCTURE IMPROVEMENTS; JOINT FISCAL OFFICE; REPORT

(a) On or before January 15, 2024, the Joint Fiscal Office shall submit a report to the House Committee on Ways and Means and the Senate Committee on Finance on financing public infrastructure improvements in Vermont municipalities. The report shall include the following:

(1) a review of public infrastructure financing programs in other states and municipalities that may be implemented in Vermont;

(2) recommendations for aligning State and federal assistance for public infrastructure; and

(3) recommendations for harmonizing or expanding existing infrastructure improvement programs and distribution of funding.

(b) The Joint Fiscal Office is authorized to submit the report described in subsection (a) of this section in the form of an issue brief or hire a consultant to perform the research and draft the report. If a consultant is hired, then the Joint Fiscal Office may use an amount not to exceed $50,000.00 for any associated costs from legislative funds.

* * * Tax Increment Financing * * *

Sec. 33. 24 V.S.A. § 1891 is amended to read:

§ 1891. DEFINITIONS

~~When~~ As used in this subchapter:

* * *

(4) "Improvements" means the installation, new construction, or reconstruction of infrastructure that will serve a public purpose and fulfill the purpose of tax increment financing districts as stated in section 1893 of this subchapter, including utilities, transportation, public facilities and amenities, land and property acquisition and demolition, and site preparation. "Improvements" also means the funding of debt service interest payments for a period of up to two years, beginning on the date on which the first debt is incurred.

* * *

(7) "Financing" means debt incurred, including principal, interest, and any fees or charges directly related to that debt, or other instruments or borrowing used by a municipality to pay for improvements in a tax increment financing district, only if authorized by the legal voters of the municipality in accordance with section 1894 of this subchapter. Payment for the cost of district improvements may also include direct payment by the municipality using the district increment. However, such payment is also subject to a vote by the legal voters of the municipality in accordance with section 1894 of this subchapter and, if not included in the tax increment financing plan approved under subsection 1894(d) of this subchapter, is also considered a substantial change and subject to the review process provided by subdivision 1901(2)(B) of this subchapter. If interfund loans within the municipality are used as the method of financing, no interest shall be charged. Bond anticipation notes may be used as a method of financing; provided, however, that bond anticipation notes shall not be considered a first incurrence of debt pursuant to subsection 1894(a) of this subchapter.

* * *

Sec. 34. 24 V.S.A. § 1895 is amended to read:

§ 1895. ORIGINAL TAXABLE VALUE

(a) Certification. As of the date the district is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the district the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within the tax increment financing district has increased or decreased relative to the original taxable value.

(b) Boundary of the district. No adjustments to the physical boundary lines of a district shall be made after the approval of a tax increment financing district plan.

Sec. 35. 24 V.S.A. § 1896 is amended to read:

§ 1896. TAX INCREMENTS

(a) In each year following the creation of the district, the listers or assessor shall include ~~no~~ not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the tax increment financing district is situated; but the treasurer shall extend all rates so determined against the entire assessed valuation of real property for that year. In each year ~~for which the assessed valuation exceeds the original taxable value~~, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property in the district ~~which~~ that the excess valuation bears to the total assessed valuation. The amount held apart each year is the "tax increment" for that year. ~~No~~ Not more than the percentages established pursuant to section 1894 of this subchapter of the municipal and State education tax increments received with respect to the district and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness of the district has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the entire assessed valuation of the district in the assessed valuations upon which municipal and other tax rates are computed and extended and thereafter no taxes from the district shall be deposited in the district's tax increment financing account.

* * *

(e) In each year, a municipality shall remit not less than the aggregate tax due on the original taxable value to the Education Fund.

Sec. 36. 32 V.S.A. § 5404a is amended to read:

§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS

(a) A tax agreement or exemption shall affect the education property tax grand list of the municipality in which the property subject to the agreement is located if the agreement or exemption is:

* * *

(b)(1) An agreement affecting the education property tax grand list defined under subsection (a) of this section shall reduce the municipality's education property tax liability under this chapter for the duration of the agreement or exemption without extension or renewal, and for a maximum of 10 years. A

municipality's property tax liability under this chapter shall be reduced by any difference between the amount of the education property taxes collected on the subject property and the amount of education property taxes that would have been collected on such property if its fair market value were taxed at the equalized nonhomestead rate for the tax year.

(2) Notwithstanding any other provision of law, if a municipality has entered into an agreement that reduces the municipality's education property tax liability under this chapter and the municipality establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5, the municipality's municipal and education tax increment shall be calculated based on the assessed value of the properties in the municipality's grand list and not on the stabilized value.

* * *

(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply not more than 70 percent of the State education property tax increment, and not less than 85 percent of the municipal property tax increment, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:

* * *

~~(C) If, while the General Assembly is not in session, the Council receives applications for districts that would otherwise qualify for approval but, if approved, would exceed the six-district limit in the State, the Council shall make one or more presentations to the Emergency Board concerning the applications, and the Emergency Board may, in its discretion, increase the six-district limit.~~

* * *

Sec. 37. TAX INCREMENT FINANCING DISTRICT; CITY OF BARRE; EXTENSION; INCREMENT

(a) Notwithstanding 2021 Acts and Resolves No. 73, Sec. 26a, amending 2020 Acts and Resolves No. 175, Sec. 29, or any other provision of law, the authority of the City of Barre to incur indebtedness is hereby extended to March 31, 2026.

(b) Notwithstanding any other provision of law, the authority of the City of Barre to retain municipal and education tax increment is hereby extended until June 30, 2039.

Sec. 38. 2020 Acts and Resolves No. 111, Sec. 1 is amended to read:

Sec. 1. TAX INCREMENT FINANCING DISTRICT; TOWN OF HARTFORD

Notwithstanding any other provision of law, the authority of the Town of Hartford to:

(1) incur indebtedness for its tax increment financing district is hereby extended ~~for three years beginning on March 31, 2021. This extension does not extend any period that municipal or education tax increment may be retained~~ until March 31, 2026; and

(2) retain municipal and education tax increment is hereby extended until June 30, 2036.

* * * Vermont Economic Growth Incentive; Sunset * * *

Sec. 39. 2016 Acts and Resolves No. 157, Sec. H.12, as amended by 2022 Acts and Resolves No. 164, Sec. 5, is further amended to read:

Sec. H.12. VEGI; REPEAL OF AUTHORITY TO AWARD INCENTIVES

Notwithstanding any provision of law to the contrary, the Vermont Economic Progress Council shall not accept or approve an application for a Vermont Employment Growth Incentive under 32 V.S.A. chapter 105, subchapter 2 on or after January 1, ~~2024~~ 2025.

* * * Workers' Compensation * * *

Sec. 40. WORKERS' COMPENSATION RATE OF CONTRIBUTION

For fiscal year 2024, after consideration of the formula in 21 V.S.A. § 711(b) and historical rate trends, the General Assembly determines that the rate of contribution for the direct calendar year premium for workers' compensation insurance shall be 1.5 percent. The contribution rate for self-insured workers' compensation losses and workers' compensation losses of corporations approved under 21 V.S.A. chapter 9 shall remain at one percent.

Sec. 41. 21 V.S.A. § 711 is amended to read:

§ 711. WORKERS' COMPENSATION ADMINISTRATION FUND

* * *

(b)(1) Annually, the General Assembly shall establish the rate of contribution for the direct calendar year premium for workers' compensation insurance. The rate shall equal the amount approved in the appropriations process for the program and the Department's projection of salary and benefit increases for that fiscal year, less the amount collected in the prior calendar

year under subsection (a) of this section from self-insured workers' compensation losses and from corporations approved under this chapter, adjusted by any balance in the fund from the prior fiscal year, divided by the total direct calendar year premium for workers' compensation insurance for the prior year.

(2) In the event that the General Assembly does not establish the rate of contribution for the direct calendar year premium for workers' compensation insurance for a given fiscal year, the rate shall remain unchanged from the prior fiscal year.

Sec. 42. 2014 Acts and Resolves No. 199, Sec. 54b is amended to read:

Sec. 54b. 21 V.S.A. § 643a is added to read:

§ 643a. DISCONTINUANCE OF BENEFITS

Unless an injured worker has successfully returned to work, an employer shall notify both the Commissioner and the employee prior to terminating benefits under either section 642 or 646 of this title. The notice of intention to discontinue payments shall be filed on forms prescribed by the Commissioner and shall include the date of the proposed discontinuance, the reasons for it, and, if the employee has been out of work for 90 days, a verification that the employer offered vocational rehabilitation screening and services as required under this chapter. All relevant evidence, including evidence that does not support discontinuance in the possession of the employer not already filed, shall be filed with the notice. The liability for the payments shall continue for seven days after the notice is received by the Commissioner and the employee. If the claimant disputes the discontinuance, the claimant may file with the Commissioner an objection to the discontinuance and seek an extension of 14 days. The objection to the discontinuance shall be specific as to the reasons and include supporting evidence. A copy of the objection shall be provided to the employer at the time the request is made to the Commissioner. ~~Those~~ The payments shall be made without prejudice to the employer and may be deducted from any amounts due pursuant to section 648 of this title if the Commissioner determines that the discontinuance is warranted or if otherwise ordered by the Commissioner. Every notice shall be reviewed by the Commissioner to determine the sufficiency of the basis for the proposed discontinuance. If, after review of all the evidence in the file, the Commissioner finds that a preponderance of all the evidence in the file does not reasonably support the proposed discontinuance, the Commissioner shall order that payments continue until a hearing is held and a decision is rendered. Prior to a formal hearing, an injured worker may request reinstatement of benefits by providing additional new evidence to the Department that

establishes that a preponderance of all evidence now supports the claim. If the Commissioner's decision, after a hearing, is that the employee was not entitled to any or all benefits paid between the discontinuance and the final decision, upon request of the employer, the Commissioner may order that the employee repay all benefits to which the employee was not entitled. The employer may enforce a repayment order in any court of law having jurisdiction.

* * * Unemployment Insurance * * *

Sec. 43. 2021 Acts and Resolves No. 183, Sec. 59(b)(6) is amended to read:

(6) Sec. 52g (prospective repeal of unemployment insurance benefit increase) shall take effect ~~upon the payment of a~~ when the cumulative ~~total~~ amount of additional benefits paid pursuant to 21 V.S.A. § 1338(e) ~~when,~~ compared to the rate at which benefits would have been paid under the formula set forth in 21 V.S.A. § 1338(e) on June 30, 2025 ~~equal to $92,000,000.00,~~ plus the ~~difference between $8,000,000.00 and the~~ amount of additional benefits paid ~~out~~ pursuant to section 52b~~, if any~~, compared to the amount that would have been paid pursuant to the provisions of 21 V.S.A. § 1338(f)(1) on June 30, 2022, equals $100,000,000.00 and shall apply to benefit weeks beginning after that date.

* * * Effective Dates * * *

Sec. 44. EFFECTIVE DATES

This act shall take effect on passage, except:

(1) Notwithstanding 1 V.S.A. § 214, Secs. 1 and 2 (annual link to federal statutes) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2022.

(2) Sec. 8 (sales tax exemption; advanced wood boilers) shall take effect on June 30, 2023.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 14 (child and dependent care credit), 15 (earned income tax credit), 16 (child tax credit; taxpayer identification numbers), 17 (taxpayer identification numbers; credits), and 19 and 20 (pass-throughs; composite payment rate for nonresidents) shall take effect retroactively on January 1, 2023 and shall apply to taxable years beginning on and after January 1, 2023.

(4) Sec. 18 (child tax credit; advance payments) shall take effect on the later of July 1, 2023 or the first day of the second quarter of the State fiscal year after the requirement to include recurring or nonrecurring State payments of income tax refunds, rebates, or credits in income-based eligibility determinations for any federal public assistance program, including the Supplemental Nutrition Assistance Program; the Special Supplemental

Nutrition Program for Women, Infants, and Children; federal child care assistance; and Supplemental Security Income, is abrogated by one or more of the following federal actions:

(A) enactment of federal legislation;

(B) a decision by a controlling court from which there is no further right of appeal; or

(C) publication of federal regulations, guidelines, memorandum, or any other official action taken by the relevant federal agency with the authority to alter income-based eligibility determinations for federal public assistance programs.

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.

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

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

Rules Suspended; Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 480.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to property valuation and reappraisals.

Was taken up for immediate consideration.

Senator Hardy, for the Committee on Government Operations, to which the bill was referred, 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:

* * * Reappraisals * * *

Sec. 1. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

* * *

(b) If the Director of Property Valuation and Review determines that a municipality's education grand list ~~is at a common level of appraisal below 85 percent or above 115 percent, or~~ has a coefficient of dispersion greater than 20, the municipality shall reappraise its education grand list properties. If the Director orders a reappraisal, the Director shall send the municipality written notice of the decision. The municipality shall be given 30 days to contest the finding under procedural rules adopted by the Director~~,~~ or to develop a compliance plan, or both. If the Director accepts a proposed compliance plan submitted by the municipality, the Director shall not order commencement of the reappraisal until the municipality has had one year to carry out that plan.

* * *

(d) ~~A sum not to exceed $100,000.00 each year shall be paid from the Education Fund to the Division of Property Valuation and Review for the purpose of providing assessment education for municipal assessing officials. The Director is authorized to establish guidelines and requirements for education programs to be provided using the funds described in this section. Education programs provided using funds described in this section shall be provided at no cost or minimal cost to the municipal assessing officials. In addition to providing the annual education programs as described in this section, up to 20 percent of the amount available for education programs may be reserved as a scholarship fund to permit municipal assessing officials to attend national programs providing education opportunities on advanced assessment topics. All applications for scholarships shall be submitted to and approved by the Director.~~ [Repealed.]

* * *

Sec. 2. 32 V.S.A. § 4041a is amended to read:

§ 4041a. REAPPRAISAL

* * *

(b) If the Director of Property Valuation and Review determines that a municipality's education grand list has a coefficient of dispersion greater than 20 or that a municipality has not timely reappraised pursuant to subsection (d) of this section, the municipality shall reappraise its education grand list properties. If the Director orders a reappraisal, the Director shall send the municipality written notice of the decision. The municipality shall be given 30 days to contest the finding under procedural rules adopted by the Director or to develop a compliance plan, or both. If the Director accepts a proposed compliance plan submitted by the municipality, the Director shall not order commencement of the reappraisal until the municipality has had one year to carry out that plan.

* * *

(d) Each municipality shall commence a full reappraisal not later than six years after the commencement of the municipality's most recent full reappraisal unless a longer period of time is approved by the Director.

* * *

Sec. 3. ONE-TIME APPROPRIATION; DEPARTMENT OF TAXES

In fiscal year 2024, $50,000.00 shall be appropriated from the General Fund to the Department of Taxes to contract with one or more consultants with expertise in statewide reappraisal systems to assist the Department in preparing the implementation proposal required under this act.

Sec. 4. IMPLEMENTATION PROPOSAL AND PROGRESS REPORT; STATEWIDE REAPPRAISALS; GRAND LIST PROPERTIES; DEPARTMENT OF TAXES

(a) On or before December 15, 2023, the Department of Taxes shall submit in writing to the House Committees on Government Operations and Military Affairs and on Ways and Means and the Senate Committees on Finance and on Government Operations a progress report on the first six months of work on the implementation plan and recommendations required under subsection (b) of this section. The progress report shall include the following:

(1) With regard to the proposal to implement a statewide reappraisal system, a preliminary schedule to phase in full reappraisals for each municipality every six years with the first municipalities scheduled to reappraise with a completion date on or before April 1, 2027. In setting the proposed six-year reappraisal schedule, the Department shall prioritize the following factors:

(A) municipalities for which the last year of reappraisal is the oldest;

(B) the geographic proximity of municipalities; and

(C) any other relevant municipal data metrics.

(2) With regard to the recommendations on obtaining detailed, accurate, and consistent data on all properties throughout the State, a study of existing municipal data metrics that could be used to identify and differentiate between properties on the municipal and statewide education grand lists based on property types and characteristics, including use, occupancy or vacancy, square footage, and any other relevant factors.

(3) Options for and any implementation of implicit bias reduction training for listers and assessors.

(b)(1) On or before December 15, 2024, in consultation with relevant stakeholders, including groups that represent individuals from different socioeconomic backgrounds and that promote diversity, equity, and inclusion, the Department of Taxes shall submit in writing to the House Committees on Government Operations and Military Affairs and on Ways and Means and the Senate Committees on Finance and on Government Operations:

(A) a detailed implementation proposal for creating a statewide system to conduct reappraisals of municipal and statewide education grand lists administered by the State within the Division of Property Valuation and Review of the Department of Taxes; and

(B) recommendations to distinguish between different types and uses of property on the municipal and statewide education grand lists and a detailed proposal for designating new or updated property types and integrating them into the municipal and statewide education grand lists, as applicable, and the overall property taxation system beginning on January 1, 2026.

(2) The written submission required under this subsection shall identify and recommend the means to achieve consistency in property valuation and taxation across the State in order to prioritize the elimination of racial, socioeconomic, and other implicit biases. Pursuant to this subdivision, the Department shall review and revise State training programs and guidance provided to listers and assessors, including the Vermont Department of Taxes, Division of Property Valuation and Review publication titled "Lister and Assessor Handbook A Guide for Vermont Listers and Assessors," for instances of racial, socioeconomic, and other implicit biases and report on any revisions made or planned to be made to those training programs and guidance.

(3) The implementation proposal required under subdivision (1)(A) of this subsection regarding the creation of a statewide reappraisal system shall make recommendations and propose legislative language, as applicable or needed to achieve the Department's recommendations, regarding the following:

(A) Adequate funding, including cost-saving measures and potentially reallocating the revenues from the per-parcel fee under 32 V.S.A. § 4041a(a) to operate a statewide reappraisal system. The implementation proposal shall address staffing costs for hiring or contracting with trained assessors, or both, to carry out reappraisals and hearing officers to hold appeals at locations across the State.

(B)(i) Administration of full and statistical reappraisals of each municipality's municipal and statewide education grand list, including:

(I) selection and prioritization criteria;

(II) any proposed adjustments to the coefficient of dispersion threshold that causes a reappraisal order pursuant to 32 V.S.A. § 4041a;

(III) the frequency and efficacy of conducting full and statistical reappraisals on a set schedule; and

(IV) any other recommendations for establishing a reappraisal schedule.

(ii) The implementation proposal shall list the municipalities that, at the time of passage of this act, have been ordered to reappraise pursuant to 32 V.S.A. § 4041a for the longest period of time and propose the means to prioritize a first State-level reappraisal for those municipalities' grand lists, provided no municipality shall be required to reappraise in fewer than six years after completion of the most recent full reappraisal. The implementation proposal shall further list the municipalities that have recently undergone or are currently undergoing a reappraisal and propose the means to ensure that those municipalities' grand lists are not scheduled for a first State-level reappraisal in fewer than six years after completion of the most recent full reappraisal.

(C) Creation of a reappraisal appeal structure that:

(i) ensures impartiality and installs procedural safeguards against conflicts of interest;

(ii) ensures all communities have convenient and reasonable access to State appeal hearings, regardless of the geographical location of the appellant;

(iii) based on a study of other State administrative appeal structures, incorporates the strengths and advantages of those appeal structures; and

(iv) takes into consideration any other matters identified by the Department relating to appeals, including a recommendation on potentially narrowing or eliminating the role of Boards of Civil Authority within the appraisal appeal process.

(D) Streamlining, integrating, and updating State and municipal software vendor agreements and information technology systems relating to reappraisals and maintaining municipal and statewide education grand lists, including the integration of any new or updated property types into municipal and statewide education grand lists, as applicable, and the overall property taxation system beginning on January 1, 2026. The implementation proposal shall further estimate costs and analyze any other considerations regarding software vendor agreements.

(E) Existing definitions and data metrics currently gathered by municipal Computer Assisted Mass Appraisal (CAMA) systems and the potential for using those definitions and data to collect information on the number of residential units, land value distinct from the value of buildings or other improvements on the land, the year of construction for buildings or other improvements, and any other pertinent data relating to properties in this State.

(F) Distinguishing between contiguous parcels for purposes of property valuation and the payment of the per-parcel fee under 32 V.S.A. § 5405(f).

(G) Incentivizing municipalities to submit grand list parcel map data to the Vermont Center for Geographic Information, including conditioning payment of higher per grand list parcel fees on the submission of data.

(H) Incorporating the principles of a high-quality tax system into a potential statewide reappraisal system as enumerated by the National Conference of State Legislatures, "Tax Policy Handbook for State Legislators" (February 2010), 3rd ed., including sustainability, reliability, fairness, simplicity, economic competitiveness, tax neutrality, and accountability.

(4) The recommendations and detailed proposal required under subdivision (1)(B) of this subsection regarding new or updated property types that apply to municipal and statewide education grand lists and the overall property taxation system shall include the following:

(A)(i) Legislative language, as applicable or needed to achieve the Department's recommendations, that differentiates between grand list properties based on property type and characteristics, including use, occupancy or vacancy, square footage, and any other relevant factors. The detailed proposal shall recommend how certain property types and characteristics could be identified and data could be collected, including:

(I) different types of rental and affordable housing properties;

(II) the number of residential units in this State, including the number of residential units per parcel;

(III) land value distinct from the value of buildings or other improvements on the land;

(IV) the year of construction for buildings or other improvements; and

(V) any other pertinent data relating to properties in this State.

(ii) The recommendation under this subdivision (4)(A) shall consider the way that existing municipal and statewide education grand list

property categories used for purposes of the equalization study could be reconfigured and consolidated and any other means to identify properties in order to obtain detailed, accurate, and consistent data on all properties throughout the State.

(B) Updating existing information technology systems or creating a new data collection and reporting system, or both, and creating a designation process for integrating different property types into the municipal and statewide education grand lists and the overall property taxation system in a detailed, accurate, and consistent way that takes into consideration the compliance and administrative burdens placed on both property owners and municipal and State administrators. The detailed proposal shall provide clear and actionable guidance on any new or updated property types and the designation process for both property owners and municipal listers and assessors.

(C) Assistance during the transition period for municipal listers and assessors with conducting the initial designation, data collection, and reporting of any new or updated property types.

(D) Integration of new or updated property types into a potential statewide reappraisal system and into the overall property taxation system.

Sec. 5. 2022 Acts and Resolves No. 163, Sec. 8(2) is amended to read:

(2) Sec. 3 (State appraisal and litigation assistance program) shall take effect on July 1, 2023~~, provided the General Assembly has, on or before July 1, 2023, appropriated funding to cover the Department of Taxes' operating costs required to create, implement, and maintain a new State appraisal and litigation assistance program~~.

* * * Lister and Appraiser Education * * *

Sec. 6. 32 V.S.A. § 3436 is amended to read:

§ 3436. ASSESSMENT EDUCATION

(a) The Director shall certify assessment education programs for municipal listers and assessors at convenient times and places during the year and is authorized to contract with one or more persons to provide part or all of the assessment instruction. Certified programs shall include education on racial disparities in property valuation outcomes in the United States, with a focus on Vermont in particular, and on-going bias reduction training. Certified programs may include instruction in lister duties, property inspection, data collection, valuation methods, mass appraisal techniques, property tax administration, or such other subjects as the Director deems beneficial to

listers and both mandatory and optional certified programs may be presented by Property Valuation and Review or a person pursuant to a contract with Property Valuation and Review, the International Association of Assessing Officials, the Vermont Assessors and Listers Association, or the Vermont League of Cities and Towns.

(b) The Director shall establish designations recognizing levels of achievement and the necessary course work or evaluation of equivalent experience required to attain each designation. Designation for any one level shall be for a period of three years.

(c) Designation obtained under subsection (b) of this section may be renewed for three-year periods upon completion of requirements as determined by the ~~director~~ Director.

(d) The Director shall also notify all towns annually of any new approaches that the Division of Property Valuation and Review is aware of for obtaining or performing mass reappraisals and for grand list maintenance.

(e) A sum not to exceed $100,000.00 each year shall be paid from the Education Fund to the Division of Property Valuation and Review for the purpose of providing assessment education for municipal listers and assessors. The Director is authorized to establish guidelines and requirements for education programs to be provided using the funds described in this section. Education programs provided using funds described in this section shall be provided at no cost or minimal cost to the municipal listers and assessors. In addition to providing the annual education programs described in this section, up to 20 percent of the amount available for education programs may be reserved as a scholarship fund to permit municipal listers and assessors to attend national programs providing education opportunities on advanced assessment topics. All applications for scholarships shall be submitted to and approved by the Director.

Sec. 7. 32 V.S.A. § 4052 is amended to read:

§ 4052. CONTRACT APPRAISALS; ~~CERTIFICATION~~ ASSESSOR QUALIFICATIONS

(a) No municipality shall employ or contract a person, firm, or corporation ~~shall be employed by a municipality~~ to perform appraisals of real property for the purpose of property taxation unless approved by the Director of Property Valuation and Review as qualified under this section.

(b) No person shall conduct the work of an assessor employed or contracted by a municipality pursuant to 17 V.S.A. § 2651c(b) unless the person meets the training requirements established by the Director of Property Valuation and Review under this section.

(c) The Director shall establish by rule reasonable qualifications for approval and training requirements, which shall include successful completion of educational and training courses approved by the Director and, in the case of an appraiser hired to do a townwide reappraisal, at least one year's experience with an appraiser who has satisfactorily completed townwide reappraisals.

~~(c)~~(d) This section shall not apply to elected or appointed officials of any town but shall apply to an assessor employed or contracted by a municipality pursuant to 17 V.S.A. § 2651c(b).

Sec. 8. 32 V.S.A. § 4052 is amended to read:

§ 4052. CONTRACT APPRAISALS; ASSESSOR AND LISTER QUALIFICATIONS

(a) No municipality shall employ or contract a person, firm, or corporation to perform and no elected lister or board of listers shall perform appraisals of real property for the purpose of property taxation unless approved by the Director of Property Valuation and Review as qualified under this section.

(b) No person shall conduct the work of an elected lister, board of listers, or assessor employed or contracted by a municipality pursuant to 17 V.S.A. § 2651c(b) unless the person meets the training requirements established by the Director of Property Valuation and Review under this section. An elected lister or board of listers who does not meet the training requirements of this section at the time of election shall have one year after entering into the duties of the office of lister to comply with this section.

* * *

(d) ~~This section shall not apply to elected or appointed officials of any town but shall apply to an assessor employed or contracted by a municipality pursuant to 17 V.S.A. § 2651c(b).~~ [Repealed.]

Sec. 9. 17 V.S.A. § 2651c is amended to read:

§ 2651c. LACK OF ELECTED LISTER; APPOINTMENT OF LISTER; ELIMINATION OF OFFICE; HIRING ASSESSORS

(a)(1) Notwithstanding any other provisions of law to the contrary and except as provided in subsection (b) of this section, in the event the board of listers of a town falls below a majority and the selectboard is unable to find a person or persons to appoint as a lister or listers under the provisions of 24 V.S.A. § 963, the selectboard may appoint an assessor to perform the duties of a lister as set forth in Title 32 until the next annual meeting.

(2) The appointed person need not be a resident of the town and shall have the same powers and be subject to the same duties and penalties as a duly elected lister for the town.

(b)(1) A town may vote by ballot at an annual meeting to eliminate the office of lister.

(2)(A) If a town votes to eliminate the office of lister, the selectboard shall ~~contract with or employ~~ notify the Director of Property Valuation and Review within 14 days and employ or contract a professionally qualified assessor, who, prior to conducting any work, shall meet the training requirements established by the Director under 32 V.S.A. § 4052 and need not be a resident of the town.

(B) The assessor shall have the same powers, discharge the same duties, proceed in the discharge thereof in the same manner, and be subject to the same liabilities as are prescribed for listers or the board of listers under the provisions of Title 32.

(3) A vote to eliminate the office of lister shall remain in effect until rescinded by majority vote of the registered voters present and voting at an annual or special meeting warned for that purpose.

(c) The term of office of any lister in office on the date a town votes to eliminate that office shall expire on the 45th day after the vote or on the date upon which the selectboard ~~appoints~~ employs or contracts an assessor under this subsection, whichever occurs first.

(d) The authority to vote to eliminate the office of lister as provided in this section shall extend to all towns except those towns that have a charter that specifically provides for the election or appointment of the office of lister.

(e) If an assessor is employed or contracted to assist an elected board of listers, the board of listers shall retain the same powers and duties, discharge those powers and duties in the same manner, and be subject to the same liabilities as those imposed on listers or the board of listers under the provisions of Title 32.

* * * Effective Dates * * *

Sec. 10. EFFECTIVE DATES

This act shall take effect on July 1, 2023 except:

(1) notwithstanding 1 V.S.A. § 214, Sec. 1, 32 V.S.A. § 4041a, subsection (b), (reappraisal orders; CLA) shall take effect retroactively on April 1, 2022 and shall apply to grand lists lodged on and after April 1, 2022;

(2) Sec. 2 (32 V.S.A. § 4041a; reappraisal orders) shall take effect on

January 1, 2025; and

(3) Sec. 8 (32 V.S.A. § 4052; lister qualifications) shall take effect on January 1, 2026.

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

Senator Chittenden, 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 amendments thereto:

First: In Sec. 4, implementation proposal and progress report; statewide reappraisals; grand list properties; Department of Taxes, in subsection (a) (December 15, 2023 progress report), by striking out the word "plan" after "work on the implementation" and inserting in lieu thereof the word proposal

Second: In Sec. 4, implementation proposal and progress report; statewide reappraisals; grand list properties; Department of Taxes, in subsection (a) (December 15, 2023 progress report), by adding a new subdivision (4) to read as follows:

(4) Considerations and recommendations for changing the annual date by which grand lists are required to be lodged from April 1 to January 1 or another date.

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

Senator Perchlik, 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 proposal of amendment recommended by the Committee on Government Operations, as amended, was agreed to and third reading of the bill was ordered.

On motion of Senator Baruth, the rules were suspended, and the bill was placed in all remaining stages of passage.

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

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S. 138, H.470, H.471, H. 480, H.493.

Message from the House No. 63

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

Mr. 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. 89. An act relating to establishing a forensic facility.

And has concurred therein.

Message from the House No. 64

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

Mr. President:

I am directed to inform the Senate that:

The House has passed a House bill of the following title:

H. 517. An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1.

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

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 14. An act relating to a report on criminal justice-related investments and trends.

And has adopted the same on its part.

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

H. 45. An act relating to abusive litigation filed against survivors of domestic abuse, stalking, or sexual assault.

H. 157. An act relating to the Vermont basic needs budget.

H. 165. An act relating to school food programs and universal school meals.

H. 492. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

And has severally concurred therein.

Adjournment

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

FRIDAY, MAY 12, 2023

The Senate was called to order by the President.

Devotional Exercises

A moment of silence was observed in lieu of devotions.

Bill Ordered to Lie

S. 94.

Senate bill entitled:

An act relating to the City of Barre tax increment financing district.

Was taken up.

On motion of Senator Cummings, the bill was ordered to lie.

Rules Suspended; Bill Not Referred to Committee Rules

H. 517

Pending referral of the bill to the Committee on Rules, and pursuant to Senate Rule 44A, Senator Baruth moved that the rules be suspended and House bill entitled:

An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1.

Not be referred to the Committee on Rules pursuant to Senate Rule 44A (and be referred to the committee of jurisdiction).

Which was agreed to.

Proposed Amendment to the Constitution Introduced

The Proposed Amendment to the Constitution of the State of Vermont designated as Proposal 4 was introduced, read the first time and referred:

By Senators Lyons, Hashim, Ram Hinsdale, Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Kitchel, MacDonald, McCormack, Perchlik, Sears, Starr, Vyhovsky, Watson, Westman, White and Wrenner,

PROPOSAL 4

Sec. 1. PURPOSE

(a) This proposal would amend the Constitution of the State of Vermont to specify that the government must not deny equal treatment and respect under the law on account of a person's race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin. The Constitution is our founding legal document stating the overarching values of our society. This amendment is in keeping with the values espoused by the current Vermont Constitution. Chapter I, Article 1 declares "That all persons are born equally free and independent, and have certain natural, inherent, and unalienable rights." Chapter I, Article 7 states "That government is, or ought to be, instituted for the common benefit, protection, and security of the people." The core value reflected in Article 7 is that all people should be afforded all the benefits and protections bestowed by the government, and that the government should not confer special advantages upon the privileged. This amendment would expand upon the principles of equality and liberty by ensuring that the government does not create or perpetuate the legal, social, or economic inferiority of any class of people. This proposed constitutional amendment is not intended to limit the scope of rights and protections afforded by any other provision in the Vermont Constitution.

(b) Providing for equality of rights as a fundamental principle in the Constitution would serve as a foundation for protecting the rights and dignity of historically marginalized populations and addressing existing inequalities. This amendment would reassert the broad principles of personal liberty and equality reflected in the Constitution of the State of Vermont with authoritative force, longevity, and symbolic importance.

Sec. 2. Article 7 of Chapter I of the Vermont Constitution is amended to read:

Article 7. [Government for the people; they may change it]

That government is, or ought to be, instituted for the common benefit, protection, and security of the people, nation, or community, and not for the particular emolument or advantage of any single person, family, or set of persons, who are a part only of that community; that the government shall not

deny equal treatment and respect under the law on account of a person's race, ethnicity, sex, disability, sexual orientation, gender identity, gender expression, or national origin; and that the community hath an indubitable, unalienable, and indefeasible right, to reform or alter government, in such manner as shall be, by that community, judged most conducive to the public weal.

Sec. 3. EFFECTIVE DATE

The amendment set forth in Sec. 2 shall become a part of the Constitution of the State of Vermont on the first Tuesday after the first Monday of November 2026 when ratified and adopted by the people of this State in accordance with the provisions of 17 V.S.A. chapter 32.

To the Committee on Judiciary.

Bills Introduced

Senate bills of the following titles were severally introduced, read the first time and referred:

S. 156.

By Senators Vyhovsky, Gulick, Watson and White,

An act relating to education and corrections infrastructure in the State.

To the Committee on Institutions.

S. 157.

By Senator Hashim,

An act relating to harassment, hazing, and bullying prevention in schools.

To the Committee on Education.

Bill Referred

House bill of the following title was read the first time and referred:

H. 517. An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1.

To the Committee on Government Operations.

Proposal of Amendment; Bill Passed

H. 429.

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

An act relating to miscellaneous changes to election 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:

* * * Sore Loser Law * * *

Sec. 1. 17 V.S.A. § 2381(c) is added to read:

(c) In no event shall a candidate who loses a major party primary be nominated to appear on the general election ballot pursuant to this subchapter by a committee of any party other than the party for which the candidate appeared on the primary ballot.

Sec. 2. 17 V.S.A. § 2401 is amended to read:

§ 2401. APPLICABILITY OF SUBCHAPTER

(a) A person may be nominated and have ~~his or her~~ the person's name printed on the general election ballot for any office by filing a consent similar in form to the consent prescribed by section 2361 of this title and a statement of nomination with the Secretary of State. In the case of a nomination for justice of the peace, the consent form and statement of nomination shall be filed with the town clerk.

(b) A candidate who loses a major party primary for any office shall not appear on the general election ballot as an independent candidate for the same office for which the candidate lost in the primary election.

* * * Campaign Finance Limits for Statewide Candidates * * *

Sec. 3. 17 V.S.A. § 2941(a) is amended to read:

§ 2941. LIMITATIONS OF CONTRIBUTIONS

(a) In any election cycle:

* * *

(5)(A) A political party shall not accept contributions totaling more than:

~~(A)~~(i) $10,000.00 from a single source;

~~(B)~~(ii) $10,000.00 from a political committee; or

~~(C)~~(iii) $60,000.00 from a political party.

(B) Notwithstanding subdivision (A) of this subdivision (a)(5), a political party shall accept not more than $20,000.00 from a candidate for State office.

* * *

* * * Biennial Committee Reorganization Reporting * * *

Sec. 4. 17 V.S.A. § 2313 is amended to read:

§ 2313. FILING OF CERTIFICATE OF ORGANIZATION

* * *

(f) At the same time of filing the certificate of organization, the chair and secretary shall file with the Secretary of State a single machine-readable electronic document containing a list of the names and addresses of the town and county committee members from those towns and counties that have organized pursuant to this chapter.

(g) A committee is not considered organized until the material required by this section has been filed and accepted.

Sec. 5. [Deleted.]

* * * Candidate Demographic Information * * *

Sec. 6. 17 V.S.A. § 2359 is amended to read:

§ 2359. NOTIFICATION TO SECRETARY OF STATE

(a) Within three days after the last day for filing petitions, all town and county clerks who have received petitions shall ~~notify~~ file with the Secretary of State ~~of the names of all candidates,~~ a list containing the name, gender, age, race or ethnicity, mailing address, and e-mail address of all candidates, to the extent this information is provided by candidates; the offices for which ~~they~~ the candidates have filed~~,~~; and whether each candidate has submitted a sufficient number of valid signatures to comply with the requirements of section 2355 of this title. Town and county clerks shall also notify the Secretary of State of any petitions found not to conform to the requirements of this chapter and returned to a candidate under section 2358 of this title~~,~~ and shall notify the Secretary of State of the status of such ~~petition~~ petitions not later than two days after the last day for filing supplementary petitions.

(b) Information of a candidate's gender, age, or race or ethnicity collected pursuant to subsection (a) of this section is exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the Secretary of State may publish information pertaining to candidates' gender, age, or race or ethnicity in aggregate form.

Sec. 7. 17 V.S.A. § 2361(b) is amended to read:

(b)(1) The consent shall set forth the ~~name of the candidate,~~ candidate's name as the candidate wishes to have it printed on the ballot, the candidate's gender, age, or race or ethnicity, town of residence, ~~and~~ correct mailing

address, and e-mail address. A candidate who does not provide information pertaining to gender, age, or race or ethnicity may still appear on the ballot if all other requirements are met.

* * *

Sec. 8. 17 V.S.A. § 2665 is amended to read:

§ 2665. NOTIFICATION TO SECRETARY OF STATE

The town clerk shall file with the Secretary of State a list ~~of the names and addresses of the selectboard members elected and~~ containing the name, gender, age, race or ethnicity, street address, and e-mail address, to the extent the information is provided by the candidate, and the end date of the term of office of each selectboard member, city councilor, village trustee, and mayor elected. The town clerk shall not be required to ask the candidate for information pertaining to gender, age, or race or ethnicity if this information is not provided to the town clerk. The town clerk shall notify the Secretary of State of any changes in the list as filed. Information of a candidate's gender, age, or race or ethnicity collected pursuant to this subsection is exempt from public inspection and copying under the Public Records Act and shall be kept confidential, except that the Secretary of State may publish information pertaining to candidates' gender, age, or race or ethnicity in aggregate form.

* * * Write-in Candidate Registration and Minimum Thresholds in Primary Elections * * *

Sec. 9. 17 V.S.A. § 2370 is amended to read:

§ 2370. WRITE-IN CANDIDATES

(a)(1) In order to have votes listed for a write-in candidate under subdivision 2587(e)(3) of this title, not later than 5:00 p.m. on the second Friday preceding the primary election, a write-in candidate for the General Assembly, any county office, any State office, or any federal office shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2587(e) of this title. The Secretary of State shall notify the town clerks of any filings made in accordance with this subsection not later than the Friday before the election.

(b) A write-in candidate shall not qualify as a primary winner unless ~~he or she~~ the candidate receives ~~at least one-half~~ the higher of:

(1) 10 percent of the votes cast for candidates plus one additional vote; or

(2) the same number of votes as the number of signatures required for ~~his or her~~ the candidate's office on a primary petition, except that if a write-in

candidate receives more votes than a candidate whose name is printed on the ballot, ~~he or she may~~ the write-in candidate shall qualify as a primary winner.

~~(b)~~(c) The write-in candidate who qualifies as a primary winner under this section must still be determined a winner under section 2369 of this chapter before ~~he or she~~ the candidate becomes the party's candidate in the general election.

Sec. 9a. 17 V.S.A. § 2472(b)(6) is added to read:

(6) In order to have votes listed for a write-in candidate under subdivision 2587(e)(3) of this title, not later than 5:00 p.m. on the second Friday preceding the general election, a write-in candidate for the General Assembly, any county office, any State office, or any federal office shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2587(e) of this title. The Secretary of State shall notify the town clerks of any filings made in accordance with this subsection not later than the Friday before the election.

Sec. 9b. 17 V.S.A. § 2587(e) is amended to read:

(e)(1) In the case of "write-in" votes, the act of writing in the name of a candidate, or pasting a label containing a candidate's name upon the ballot, without other indications of the voter's intent, shall constitute a vote for that candidate, even though the voter did not fill in the square or oval after the name.

(2)(A) A vote for a write-in candidate shall be counted as a write-in vote that is without consent of candidate unless the write-in candidate filed a consent of candidate form with the Secretary of State in accordance with section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection § 2702(f) of this title for the presidential primary. The consent form shall set forth the name of the candidate, the name of the office for which the candidate consents to be a candidate, the candidate's town of residence, and the candidate's correct mailing address. The clerk shall record the name and vote totals of a write-in candidate who has filed in accordance with section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection § 2702(f) of this title for the presidential primary.

(B) The Secretary of State shall prepare and furnish forms for candidate consent purposes.

(3) The election officials counting ballots and tallying results shall only list ~~every person who receives a "write-in" vote and the number of votes received~~ the names and votes received of those write-in candidates who

consented to candidacy for the office pursuant to section 2370 of this title in the primary election, subsection 2472(b) of this title for the general election, and subsection 2702(f) of this title for the presidential primary. Any write-in votes for candidates who have not consented to the write-in candidacy shall be listed as "write-ins."

* * *

Sec. 9c. 17 V.S.A. § 2702(f) is added to read:

(f) In order to have votes counted for a write-in candidate under section 2587 of this title, not later than 5:00 p.m. on the second Friday preceding the presidential primary election, a write-in candidate for nomination by any major political party shall file with the Secretary of State a form consenting to candidacy for office as set forth in subsection 2361(b) of this title. The Secretary of State shall notify the town clerks of any filings made in accordance with this subsection not later than the Friday before the election.

* * * Electronic Ballot Returns * * *

Sec. 9d. 17 V.S.A. § 2539 is amended to read:

§ 2539. DELIVERY OF EARLY VOTER ABSENTEE BALLOTS

* * *

(c) Military or overseas voters.

* * *

(3) "Overseas voters," as used in this section, means a person who is qualified to vote in Vermont and resides outside the United States, meaning the several states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, and American Samoa, and military voters who by reason of active military duty are absent from the United States.

Sec. 10. 17 V.S.A. § 2542 is amended to read:

§ 2542. SIGNING CERTIFICATE

(a) There shall be printed on the face of the envelope provided for use in returning early voter absentee ballots, or provided in an electronic format if a ballot is electronically delivered pursuant to subsection 2539(b) or (c) of this title, a certificate in substantially the following form:

"Early or Absentee Voter Ballots of _____"

(print your name)

I, _____, solemnly swear or affirm that I am a resident of the town (city) of _____, State of Vermont, and that I am a legal voter in this town (city).

(your signature)

(b) The early or absentee voter, except a voter returning a ballot electronically pursuant to subsection 2543(d) of this title, must sign the certificate on the outside of the envelope in order for the ballot to be valid. When an early or absentee voter is physically unable to sign ~~his or her~~ the voter's name, ~~he or she~~ the voter may mark an "X" or take an oath swearing or affirming to the statement on the certificate. The officers who deliver the ballots shall witness the mark or oath and sign their names with a statement attesting to this fact on the envelope.

Sec. 11. 17 V.S.A. § 2543 is amended to read:

§ 2543. RETURN OF BALLOTS

* * *

(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;

(C) by mail to the town clerk's office before the close of the polls on the day of the election; and

(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)(A) All ballots electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and returned as follows shall be counted:

(i) by means of a secure online portal administered by the Secretary of State, directly to the clerk before the close of business on the last day the clerk's office is open prior to the election; and

(ii) with electronic signature on the certificate required pursuant to section 2542 of this title prior to submitting the ballot to the clerk.

(B) A ballot electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and then

returned pursuant to subdivision (A) of this subdivision (d)(2) shall be printed by the clerk and processed in the same manner as all other early or absentee ballots and in accordance with the procedures prescribed by this subchapter.

(C) The voter shall be notified when a ballot electronically delivered pursuant to subsection 2539(b) or (c) of this title to voters with disabilities, as defined in 9 V.S.A. 4501(2), and overseas voters, as defined in subdivision 2539(c)(3) of this title, and then returned pursuant to subdivision (A) of this subdivision (d)(2) is received and printed by the clerk pursuant to subdivision (B) of this subdivision (d)(2).

(3) An early voter absentee ballot returned in a manner other than those set forth in subdivision (1) or (2)(A) of this subsection shall not be counted.

* * *

* * * Delinquent Disclosures for Candidates for State Office, County Office, State Senator, and State Representative * * *

Sec. 11a. 17 V.S.A. chapter 49, subchapter 4 is amended to read:

Subchapter 4. Miscellaneous Provisions

* * *

§ 2414. CANDIDATES FOR STATE, COUNTY, AND LEGISLATIVE OFFICE; DISCLOSURE FORM

(a) Each candidate for State office, county office, State Senator, or State Representative shall file with the officer with whom consent of candidate forms are filed, along with ~~his or her~~ the candidate's consent, a disclosure form prepared by the State Ethics Commission that contains the following information in regard to the previous calendar year:

* * *

(c) In addition, each candidate for State office shall attach to the disclosure form described in subsection (a) of this section a copy of ~~his or her~~ the candidate's most recent U.S. Individual Income Tax Return Form 1040; provided, however, that the candidate may redact from that form the following information:

(1) the candidate's Social Security number and that of ~~his or her~~ the candidate's spouse, if applicable;

(2) the names of any dependent and the dependent's Social Security number; ~~and~~

(3) the signature of the candidate and that of ~~his or her~~ the candidate's spouse, if applicable;

(4) the candidate's street address; and

(5) any identifying information and signature of a paid preparer.

(d)(1) A senatorial district clerk or representative district clerk who receives a disclosure form under this section shall forward a copy of the disclosure to the Secretary of State within three business days ~~of~~ after receiving it.

(2)(A) The Secretary of State shall post a copy of any disclosure forms and tax returns ~~he or she~~ the Secretary receives under this section on ~~his or her~~ the Secretary's official State website. The forms shall remain posted on the Secretary's website until the date of the filing deadline for petition and consent forms for major party candidates for the statewide primary in the following election cycle.

* * *

(e) As used in this section:

(1) "County office" means the office of assistant judge, probate judge, sheriff, high bailiff, and State's Attorney.

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

* * *

~~(2)~~(3) "Lobbyist" and "lobbying firm" ~~shall~~ have the same meanings as in 2 V.S.A. § 261.

§ 2415. FAILURE TO FILE; PENALTIES

(a) If any disclosure required of a candidate for State office, county office, State Senator, or State Representative by section 2414 of this title is not filed by the time frames set forth in sections 2356, 2361, and 2402 of this title, the candidate for State office, county office, State Senator, or State Representative shall be addressed as follows:

(1) The State Ethics Commission shall issue a notice of delinquency to the candidate for State office, county office, State Senator, or State Representative for any disclosure required of a candidate for State office, county office, State Senator, or State Representative by section 2414 of this title that is not filed by the time frames set forth in sections 2356, 2361, and 2402 of this title.

(2) Following notice of delinquency sent by the State Ethics

Commission to the candidate for State office, county office, State Senator, or State Representative, the candidate shall have five working days from the date of the issuance of the notice to cure the delinquency.

(3) Beginning six working days from the date of notice, the delinquent candidate for State office, county office, State Senator, or State Representative shall pay a $10.00 penalty for each day thereafter that the disclosure remains delinquent; provided, however, that in no event shall the amount of any penalty imposed under this subdivision exceed $1,000.00.

(4) The State Ethics Commission may reduce or waive any penalty imposed under this section if the candidate for State office, county office, State Senator, or State Representative demonstrates good cause, as determined by the State Ethics Commission and in the sole discretion of the State Ethics Commission.

(b) The Commission shall send a notice of delinquency to the e-mail address provided by the candidate for State office, county office, State Senator, or State Representative in their consent of candidate form.

(c) The State Ethics Commission may avail itself of remedies available under the Vermont Setoff Debt Collection Act, as set forth in 32 V.S.A. chapter 151, subchapter 12, to collect any unpaid penalty.

(d)(1) A candidate for State office, county office, State Senator, or State Representative who files a disclosure with intent to defraud, falsify, conceal, or cover up by any trick, scheme, or device a material fact, or with intent to defraud make any false, fictitious, or fraudulent claim or representation as to a material fact, or with intent to defraud make or use any writing or document knowing the same to contain any false, fictitious, or fraudulent claim or entry as to a material fact shall be considered to have made a false claim for the purposes of 13 V.S.A. § 3016.

(2) Pursuant to 3 V.S.A. § 1223 and § 2904a of this title, complaints regarding any candidate for State office, county office, State Senator, or State Representative who fails to properly file a disclosure required under this subchapter, may be filed with the State Ethics Commission. The Executive Director of the State Ethics Commission shall refer complaints to the Attorney General or to the State's Attorney of jurisdiction for investigation, as appropriate.

* * * Electronic Ballots Return Report * * *

Sec. 11b. ELECTRONIC BALLOTS RETURN; REPORT

On or before January 15, 2025, the Secretary of State, in consultation with the Secretary of Digital Services, the Vermont Municipal Clerks' and

Treasurers' Association, and other relevant stakeholders as determined by the Secretary of State, shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with an assessment of the electronic ballot return system as modified by 2023 amendments to 17 V.S.A. §§ 2542 and 2543, including any identified issues and recommendations for correcting any issues or improving related voting processes.

* * * Opt-in Ranked-Choice Voting System for Town, Cities, and Villages * * *

Sec. 11c. 17 V.S.A. chapter 55, subchapter 4 is added to read:

Subchapter 4. Ranked-Choice Voting

§ 2691a. DEFINITIONS

As used in this subchapter:

(1) "Active candidate" means a candidate who has not been eliminated and who is not a withdrawn candidate.

(2) "By lot" means a method, determined by the Secretary of State, for randomly choosing between two or more active candidates.

(3) "Highest-ranked active candidate" means the active candidate assigned a higher ranking than any other active candidate.

(4) "Inactive ballots" means ballots that do not count as votes for any candidate due to one or more of the reasons listed in subdivision 2691d(c)(2) of this title.

(5) "Overvote" means an instance in which a voter assigned the same ranking to more than one candidate.

(6) "Ranking" means the number available to be assigned by a voter to a candidate to express the voter's choice for that candidate. The number "1" is the highest ranking, followed by "2" and then "3" and so on.

(7) "Round" means an instance of the sequence of voting tabulation in accordance with section 2691d of this title.

(8) "Skipped ranking" means a voter does not assign a certain available ranking to any candidate but does assign a subsequent available ranking to a candidate.

(9) "Undervote" means a ballot on which a voter does not assign any ranking to any candidate in a particular contest.

(10) "Withdrawn candidate" means any candidate who has submitted a

declaration of withdrawal in writing to the presiding officer, the effectiveness of which begins when filed with the presiding officer.

§ 2691b. RANKED-CHOICE VOTING SYSTEM; APPLICATION

(a) Application.

(1) The provisions of the ranked-choice voting system described in this subchapter shall only apply to the election of a candidate running for an office in a town, city, or village if:

(A) a town, city, or village has voted to elect officers by the Australian ballot system pursuant to section 2680 of this title and is using the Australian ballot system in accordance with subsection 2680 of this title;

(B) that town, city, or village uses vote tabulators for the registering and counting of votes in local elections pursuant to section 2491 of this title; and

(C) that town, city, or village has adopted the ranked-choice voting system described in this subchapter by a vote of the town, city, or village at its annual meeting or at a special meeting called for that purpose.

(2) Notwithstanding subdivision (1)(B) of this subsection, if the Secretary of State suspends the use of vote tabulators and requires the hand count of votes in an election pursuant to subdivision 2491(d)(1) of this title after 60 days prior to an election, the provisions of the ranked-choice voting system described in this subchapter shall still apply to the election of a candidate running for an office in a town, city, or village who otherwise meets the requirements of subdivisions (1)(A) and (1)(C) of this subsection.

(b) Duration. Once a town, city, or village votes to adopt the ranked-choice voting system described in this subchapter, this ranked-choice voting system shall be used in that manner until the town, city, or village votes to discontinue use of the system.

§ 2691c. RANKED-CHOICE VOTING SYSTEM; BALLOTS

Notwithstanding any contrary provisions in section 2681a of this title, a ballot for an election using the ranked-choice system in a town, city, or village shall allow voters to rank candidates in order of ordinal preference.

(1) The names of all candidates on the ballot shall be listed in alphabetical order.

(2) The ballot shall allow voters to assign rankings to candidates that are equal to the number of printed candidate names and blank write-in lines.

§ 2691d. RANKED-CHOICE VOTING TABULATION

(a) Tabulation rounds. In any election of a candidate running for an office in a town, city, or village, each ballot shall count as one vote for the highest-ranked active candidate on that ballot. Tabulation shall proceed in rounds, as follows:

(1) Elections with one winner.

(A) If there are two or fewer active candidates, then tabulation is complete, and the candidate with the most votes is declared the winner of the election.

(B) If there are more than two active candidates, the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(2) Elections with multiple winners.

(A) If the number of active candidates is equal to the number of seats available plus one, then tabulation is complete, and the candidates with the most votes are declared the winners of the election.

(B) If the number of active candidates is more than the number of seats available plus one, then the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) Ties.

(A) If there is a tie between two active candidates with the fewest votes, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(B) If there is a tie between the final active candidates, the presiding officer shall notify each active candidate involved in the tie, or the candidate's designee, to be present at the presiding officer's office or at the polling place at a certain time. At that time, the presiding officer shall select the winner of the tabulation by lot.

(b) Withdrawn candidates. Ranking orders containing withdrawn candidates shall be treated the same as ranking orders containing candidates who have been eliminated from tabulation.

(c) Inactive ballots and undervotes.

(1) In any round of tabulation, an inactive ballot does not count for any candidate and is not considered a vote for the purposes of determining which active candidate has the majority of the active votes in the final round of tabulation pursuant to subsection (a) of this section.

(2) A ballot is an inactive ballot if any of the following is true:

(A) The ballot does not rank any active candidates and is not an undervote.

(B) The ballot has reached an overvote.

(C) The ballot has reached two consecutive skipped rankings.

(3) An undervote does not count as either an active or inactive ballot in any round of tabulation.

§ 2691e. RANKED-CHOICE VOTING RESULTS REPORTING

In addition to any other information required by law to be reported with final results, the following shall be made public:

(1) the total number of votes each candidate received in each round of the official tabulation, including votes for withdrawn candidates; and

(2) the total number of ballots that became inactive in each round because they did not contain any active candidates, reached an overvote, or reached two consecutive skipped rankings, reported as separate figures.

§ 2691f. MUNICIPAL ORDINANCES

Municipalities shall have the power to adopt ordinances pursuant to 24 V.S.A. chapter 59 for the purpose of the proper and efficient administration of the ranked-choice voting system in towns, cities, and villages, provided such ordinances do not controvert the provisions of this subchapter.

Sec. 11d. FIRST PERMISSIBLE ELECTION USING RANKED-CHOICE VOTING SYSTEM

A town, city, or village may only use the ranked-choice voting system described in 17 V.S.A. chapter 55, subchapter 4 beginning at the 2024 annual meeting of that town, city, or village and then thereafter. A town, city, or village may nevertheless adopt pursuant to 17 V.S.A. § 2691b(a) a ranked-choice voting system in advance of the 2024 annual meeting.

* * * Voter and Presiding Officer Education * * *

Sec. 11e. VOTER AND PRESIDING OFFICER EDUCATION; SECRETARY OF STATE'S OFFICE

The Secretary of State shall make available to voters in a town, city, or

village that has adopted ranked-choice voting pursuant to 17 V.S.A. § 2691b information regarding the ranked-choice process and provide to presiding officers in those towns, cities, and villages training in order to assist them in implementing that process.

* * * Ranked-Choice Voting Study Committee * * *

Sec. 11f. RANKED-CHOICE VOTING; RANKED-CHOICE VOTING STUDY COMMITTEE; REPORT

(a) Creation. There is created the Ranked-Choice Voting Study Committee to examine issues in implementing ranked-choice voting in Vermont across all elections for State and federal office.

(b) Membership. The Ranked-Choice Voting Study Committee shall be composed of the following members:

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

(2) two current members of the Senate, not from the same political party, who shall be appointed by the Committee on Committees;

(3) one designee, appointed by the Secretary of State;

(4) three designees, appointed by the Vermont Municipal Clerks' and Treasurers' Association, from different-sized towns, cities, and villages, different regions, and at least one shall be from a town, city, or village that use a hand count in elections;

(5) one designee, appointed by the Vermont League of Cities and Towns;

(6) a member of an organization focused on the conduct of elections, who shall be appointed by the Speaker of the House; and

(7) a member of a different organization focused on the conduct of elections, who shall be appointed by the Senate Committee on Committees.

(c) Powers and duties. The Ranked-Choice Voting Study Committee shall study ranked-choice voting systems with the goals of having recommendations, if any, for the implementation of ranked-choice voting for all primary or general elections for state or federal office occurring in 2026, including the following issues:

(1) education of voters;

(2) training of town clerks, presiding officers, and election staff;

(3) election integrity, security, and transportation of ballots;

(4) technological requirements in tabulators, hardware, and software;

(5) methodology of ranked-choice voting systems;

(6) canvassing of votes and roles of canvassing committees;

(7) post-election processes and reporting; and

(8) other items relating to the design and implementation of ranked-choice voting systems.

(d) Assistance. The Ranked-Choice Voting Study Committee shall have the administrative, technical, and legal assistance of the Vermont Office of Legislative Counsel and the Vermont Legislative Joint Fiscal Office.

(e) Report. On or before January 15, 2024, the Ranked-Choice Voting Study Committee shall report to the House Committee on Government Operations and Military Affairs and the Senate Committee on Government Operations with its findings and any recommendations for legislative action.

(f) Meetings.

(1) A member of the House of Representatives designated by the Speaker of the House shall call the first meeting of the Ranked-Choice Voting Study Committee to occur on or before August 1, 2023.

(2) The Ranked-Choice Voting Study Committee shall select a chair from among its legislative members at the first meeting.

(3) A majority of the members of the Ranked-Choice Voting Study Committee shall constitute a quorum.

(4) The Ranked-Choice Voting Study Committee shall cease to exist on November 1, 2024.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Ranked-Choice Voting Study Committee serving in the legislator's 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 four meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other members of the Ranked-Choice Voting Study Committee who are not paid for their services by the organization for which the member is representing on the Ranked-Choice Voting Study Committee shall be entitled to per diem compensation as permitted under 32 V.S.A. § 1010 for not more than four meetings. These payments shall be made from monies appropriated to the Office of the Secretary of State.

(h) Appropriation. The sum of $1,000.00 is appropriated to the Office of the Secretary of State from the General Fund in fiscal year 2024 for per diem compensation for members of the Committee.

* * * Ranked-Choice Voting for Presidential Primary Elections * * *

Sec. 11g. REDESIGNATION

17 V.S.A. §§ 2705 and 2706 are redesignated as 17 V.S.A. §§ 2710 and 2711.

Sec. 11h. 17 V.S.A. chapter 57, subchapter 1 is amended to read:

Subchapter 1. Presidential Primary

§ 2700. DEFINITIONS

As used in this subchapter:

(1) "Active candidate" means a candidate who has not been eliminated and who is not a withdrawn candidate as set forth in subdivision (12) of this section.

(2) "By lot" means a method, determined by the Secretary of State, for randomly choosing between two or more active candidates.

(3) "Highest-ranked active candidate" means the active candidate assigned a higher ranking than any other active candidate.

(4) "Inactive ballots" means ballots that do not count as votes for any candidate due to one or more of the reasons listed in subdivision 2706(c)(2) of this title.

(5) "Major political party" has the same meaning as in subdivision 2103(23)(A) of this title.

(6) "Overvote" means an instance in which a voter assigned the same ranking to more than one candidate.

(7) "Ranking" means the number available to be assigned by a voter to a candidate to express the voter's choice for that candidate. The number "1" is the highest ranking, followed by "2," and then "3," and so on.

(8) "Round" means an instance of the sequence of voting tabulation in accordance with section 2706 of this title.

(9) "Skipped ranking" means a voter does not assign a certain available ranking to any candidate but does assign a subsequent available ranking to a candidate.

(10) "Threshold for receiving delegates" means the number of votes necessary for a candidate to receive delegates in a presidential primary election

conducted in accordance with subdivision 2705(a)(2) of this title.

(11) "Undervote" means a ballot on which a voter does not assign any ranking to any candidate in a particular contest.

(12) "Withdrawn candidate" means any candidate who has submitted a declaration of withdrawal in writing to the Secretary of State, the effectiveness of which begins when filed with the Secretary of State.

§ 2701. PRESIDENTIAL PRIMARY; TIME OF HOLDING; FORM OF BALLOT

In presidential election years, a presidential primary for each major political party shall be held in all municipalities on the first Tuesday in March. The Secretary of State shall prepare and distribute for use at the primary an official ranked-choice ballot for each party for which one or more candidates qualify for the placing of their names on the ballot under section 2702 of this title. Ballots shall be printed on index stock and configured to be readable by vote tabulators.

* * *

§ 2704. RANKED-CHOICE VOTING; BALLOTS

(a) A presidential primary election for a major political party shall be conducted by ranked-choice voting.

(b) A person voting at the primary shall be required to ask for the ranked-choice ballot of the party in which the voter wishes to vote, and an election official shall record the voter's choice of ballot by marking the entrance checklist with a letter code, as designated by the Secretary of State, to indicate the voter's party choice.

(1) The ballot shall allow voters to rank candidates in order of choice. The names of all candidates on the ballot shall be listed in alphabetical order. ~~Each voter may vote for one candidate for the presidential nomination of one party, either by placing a mark opposite the printed name of a candidate as in other primaries, or by writing in the name of the candidate of the voter's choice.~~

(2) The ballot shall allow voters to assign rankings to candidates that are equal to the number of printed candidate names and blank write-in lines, except to the extent established by the Secretary pursuant to section 2709 of this title.

§ 2705. TYPE OF RANKED-CHOICE VOTING

(a) At least 150 days before the date of the presidential primary election, the State committee of each major political party shall confirm in writing with

the Secretary of State whether the party will award delegates either:

(1) on a winner-take-all basis in accordance with subsection 2706(d) of this title; or

(2) on a proportional basis in accordance with subsection 2706(e) of this title, in which case the party shall also indicate the applicable threshold or thresholds for receiving delegates.

(b) If a party fails to provide notice, or its notice does not specify how the party will award its delegates, the presidential primary election for that party shall be tabulated on a winner-take-all basis in accordance with subsection 2706(d) of this title.

(c) At least 120 days before the date of the presidential primary election, the Secretary of State shall confirm with the State committee of each political party that the State is capable of implementing the party's preferences as declared under subsection (a) of this section or shall notify the State committee of any feasibility constraints that could prevent the State from implementing the party's preferences.

§ 2706. RANKED-CHOICE VOTING TABULATION

(a) Tabulation rounds. In any presidential primary election for a major political party, each ballot shall count as one vote for the highest-ranked active candidate on that ballot. Tabulation shall proceed in rounds. Each round proceeds sequentially as described in subsection (d) or (e) of this section, as applicable.

(b) Withdrawn candidates. Ranking orders containing withdrawn candidates shall be treated the same as ranking orders containing candidates who have been eliminated from tabulation.

(c) Inactive ballots and undervotes.

(1) In any round of tabulation, an inactive ballot does not count for any candidate and is not considered a vote for the purposes of determining either which active candidate has majority of the active votes in the final round of tabulation pursuant to subsection (d) of this section or which active candidates possess a vote total above the threshold for receiving delegates pursuant to subsection (e) of this section.

(2) A ballot is an inactive ballot if any of the following is true:

(A) The ballot does not rank any active candidates and is not an undervote.

(B) The ballot has reached an overvote.

(C) The ballot has reached two consecutive skipped rankings.

(3) An undervote does not count as either an active or inactive ballot in any round of tabulation.

(d) Award of delegates on winner-take-all basis. If a major political party awards all of the State's delegates to a single candidate on a winner-take-all basis, tabulation shall proceed as follows:

(1) If there are two or fewer active candidates, then tabulation is complete and the candidate with the most votes is declared the winner of the election.

(2) If there are more than two active candidates, the active candidate with the fewest votes is eliminated, the votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) If there is a tie between two active candidates with the fewest votes, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(4) If there is a tie between the final two active candidates, the Secretary of State shall notify each active candidate involved in the tie, or the candidate's designee, to be present at the Secretary of State's office at a certain time. At that time, the Secretary of State shall select the winner of the tabulation by lot.

(e) Award of delegates on proportional basis. If a major political party awards the State's delegates to multiple candidates on a proportional basis, tabulation shall proceed as follows:

(1) If the vote total of every active candidate is above the threshold for receiving delegates as confirmed by the major political party pursuant to subdivision 2705(a)(2) of this title, then tabulation is complete.

(2) If any active candidate is below the threshold for receiving delegates, then the active candidate with the fewest votes is eliminated, votes for the eliminated candidate are transferred to each ballot's next-ranked active candidate, and a new round begins.

(3) If there is a tie between two active candidates with the fewest votes and tabulation is not yet complete, the tie shall be resolved by lot to determine which candidate is defeated. The result of the tie resolution must be recorded and reused in the event of a recount.

(f) Certification of tabulation rounds. The Secretary of State shall certify the results of each round tabulated pursuant to subsection (d) or (e) of this section, as applicable, along with any other information required under section 2707 of this title, to the State chairperson and the national committee of each political party that had at least one candidate on the State-administered presidential primary election ballot to allocate national delegate votes in accordance with the party's State and national rules.

(g) Nothing in this act shall be construed to preclude a political party from allocating delegates according to its own rules for allocating such delegates.

§ 2707. RANKED-CHOICE VOTING RESULTS REPORTING

(a) Unofficial preliminary round-by-round results shall be released as soon as feasible after the polls close and at regular intervals thereafter until the counting of ballots is complete. Unofficial preliminary round-by-round results shall be clearly labeled as preliminary and, to the extent feasible, shall include the percent of ballots counted to date.

(b) In addition to any other information required by law to be reported with final results, the following shall be made public:

(1) the total number of votes each candidate received in each round of the official tabulation, including votes for withdrawn candidates; and

(2) the total number of ballots that became inactive in each round because they did not contain any active candidates, reached an overvote, or reached two consecutive skipped rankings, reported as separate figures.

(c) If a major political party allocates delegates by geographical unit or district, round-by-round results by geographical unit or district shall be made public in addition to state-wide results.

§ 2708. CANVASSING COMMITTEE CERTIFICATES

When the canvassing committee provided for in section 2592 of this title prepares its certificate of election for a presidential primary election for a major political party, the canvass shall state the number of final round votes received by each candidate who has received votes in the final round of tabulation.

Sec. 11i. 17 V.S.A. § 2709 is added to read:

§ 2709. RULEMAKING

The Secretary of State shall adopt rules pursuant to 3 V.S.A. chapter 25 for the proper and efficient administration of presidential primary elections, including procedures for ensuring that voting tabulators, voting tabulator

memory cards, and related software are able to tabulate rank-choice voting when necessary; procedures for ensuring that the number of rankings allowed to voters be uniform across the State for any given contest, that the number of rankings allowed in any given contest be the maximum number allowed by the equipment, and that the number of rankings allowed be not fewer than three in any event; procedures for the release of round-by-round results; procedures for requesting and conducting recounts of the results of presidential primary elections for major candidates; and procedures for filing returns in accordance with section 2588 of this title.

* * * Vote Tabulators; Returns * * *

Sec. 11j. TALLY SHEETS; SUMMARY SHEETS; RETURNS

The Secretary of State shall ensure that on or before January 1, 2028, all tally sheets, summary sheets, and returns described in 17 V.S.A. § 2586 are designed to record ranked-choice voting results in accordance with this act.

* * * Effective Date * * *

Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 11g (redesignation) and 11h (amending 17 V.S.A. chapter 57, subchapter 1) shall take effect on January 1, 2027, and Secs. 11i (rulemaking) and 11j (tally sheets; summary sheets; returns) shall take effect on January 1, 2025.

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

Senator Perchlik, 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, and the proposal of amendment was agreed to, on a roll call, Yeas 17, Nays 13.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, *McCormack, Perchlik, Ram Hinsdale, Watson, White.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Mazza, Norris, Sears, Starr, Vyhovsky, Weeks, Westman, Williams, Wrenner.

*Explanation of vote by Senator McCormack:

"Mr. President, I just argued on the floor against this bill and assured colleagues I would vote against it. But the reporter of the bill has clarified its effects. I asked several questions intending them as rhetorical questions, but she took them as inquiries and answered so as to satisfy my concern."

Thereupon, third reading was ordered, on a roll call, Yeas 16, Nays 14.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Watson, White.

Those Senators who voted in the negative were: Brock, Campion, Chittenden, Collamore, Ingalls, Mazza, Norris, Sears, Starr, Vyhovsky, Weeks, Westman, Williams, Wrenner.

Message from the House No. 65

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

Mr. President:

I am directed to inform the Senate that:

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

S. 133. An act relating to miscellaneous changes to education law.

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

Recess

On motion of Senator Baruth the Senate adjourned until one o'clock in the afternoon.

Called to Order

The Senate was called to order by the President.

Pages Honored

In appreciation of their many services to the members of the General Assembly, the President recognized the following-named pages who are completing their services today and presented them with letters of appreciation.

Ziva Baker of Westwood
Adelle Danilchick of Killingtong
Phoebe Donn of Kirby
Gracie Heine of Northfield
Cabot Spatz of Shrewsbury
Emmett H. Stowell of Montpelier
Eli R. Welch of Guilford

Rules Suspended

On motion of Senator Baruth, the rules were suspended, and the following bills, appearing on the Calendar for notice, were ordered to be brought up for immediate consideration:

S. 14, S.100.

Rules Suspended;

S. 133.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to miscellaneous changes to education law.

Was taken up for immediate consideration.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 14.

An act relating to a report on criminal justice-related investments and trends.

Was taken up.

Senator Hashim, 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 Senate bill entitled:

S.14. An act relating to a report on criminal justice-related investments and trends.

Respectfully reports that it has met and considered the same and recommends that the House recede from its proposals of amendment, and that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 28 V.S.A. § 125 is amended to read:

§ 125. ~~JUSTICE REINVESTMENT II INITIATIVES~~ CRIMINAL JUSTICE INVESTMENTS AND TRENDS; REPORT

(a) Intent. It is the intent of the General Assembly that the report on Vermont's criminal justice investments and trends required under this section assist in the systemic assessment of the State's Justice Reinvestment and justice reform efforts and initiatives to inform future legislative policy and fiscal decisions.

(b) Definitions. As used in this section:

(1) "Arrest" means when a person is seized by law enforcement, charged with the commission of an offense, and referred for prosecution.

(2) "Clearance" means the process by which a law enforcement agency closes an offense by arrest or exceptional means in accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program.

(3) "Desistance" means the process by which criminality, or the individual risk for antisocial conduct, declines over the life-course of the individual, generally after adolescence.

(4) "Exceptional means" means the death of the offender, the victim's refusal to cooperate with the prosecution after the offender is identified, the denial of extradition because the offender committed a crime in another jurisdiction and is being prosecuted for that offense, or other circumstance in accordance with the Federal Bureau of Investigation's Uniform Crime Reporting Program.

(5) "Recidivism" has the same meaning as in section 4 of this title.

(c) Report.

(1) On ~~or before January~~ November 15 ~~each year~~, 2024 and every three years thereafter, the ~~Commissioner of Corrections~~ Vermont Statistical Analysis Center (SAC), in consultation with the Commissioners of Corrections, of Health, of Mental Health, of Public Safety, of Labor, and for Children and Families ~~and~~; the Attorney General; the Defender General; the Chief Superior

Judge of the Superior Court; the Division of Racial Justice Statistics; the Executive Director of the Department of State's Attorneys and Sheriffs; and the Parole Board Director, shall submit a report to the House Committees on Appropriations, on Judiciary, and on Corrections and Institutions ~~and,~~ the Senate Committees on Appropriations and on Judiciary ~~detailing the expenditures on Justice Reinvestment II and the following related initiatives:~~

~~(1) funding for domestic violence intervention programming in the Department of Corrections;~~

~~(2) funding for offender transitional housing capacity with the Department of Corrections and other departments;~~

~~(3) funding for the Department of Correction's data collection Offender Management System;~~

~~(4) funding for community-based mental health and substance use services for individuals under Department of Corrections supervision;~~

~~(5) funding provided for diversion and restorative justice programs including community justice centers, court diversion, and balanced and restorative justice (BARJ); and~~

~~(6) funding and a description of any other General Fund expenditures for Justice Reinvestment II initiatives.~~, the Joint Legislative Justice Oversight Committee, and the Executive Director of the Office of Racial Equity examining the trends associated with Vermont's criminal justice-related investments and expenditures since the last report was submitted pursuant to this section.

(2) The report required pursuant to subdivision (1) of this subsection shall include data showing:

(A) recidivism rates;

(B) clearance rates;

(C) evidence of desistance, including successful completion of community supervision;

(D) returns to incarceration from community supervision with the following relevant data points:

(i) community supervision type, classified by probation, parole, and furlough;

(ii) an indication if a return was for a violation or a new charge, including the crime type;

(iii) an indication if a violation was classified as "significant/not violent" or "significant and violent" for any applicable statuses; and

(iv) all available demographic information;

(E) bail rates, including detainees held without bail, detainees held with bail and the associated monetary amounts, and bailees who post bail and are released;

(F) pretrial detainees held in Vermont correctional facilities, including the crime type and jurisdiction for which they are held;

(G) the funding for, and utilization of, substance use disorder treatment, mental health, educational, and vocational initiatives for incarcerated individuals; and

(H) the funding for, and utilization by, individuals served through Justice Reinvestment II and related initiatives, including:

(i) domestic violence intervention programming in the Department of Corrections, including the results from the evaluation framework between the Vermont Network Against Domestic and Sexual Violence and the University of Nebraska;

(ii) offender transitional housing capacity with the Department of Corrections and other departments;

(iii) advancements to the Department of Corrections' data collection Offender Management System;

(iv) agencies, departments, municipalities, programs, and services employing restorative justice principles, including community justice centers;

(v) other General Fund expenditures for Justice Reinvestment II initiatives;

(vi) the Department of Corrections' out-of-state beds contracted by the Department and the average cost per bed in fiscal year 2019 and for each fiscal year thereafter; and

(vii) the Department of Corrections' in-state beds, separated by gender, including specialty units and units closed or unavailable in fiscal year 2019 and for each fiscal year thereafter.

~~(b) 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.~~

(d) Informational availability.

(1) The information required pursuant to subsection (c) of this section shall include race, gender, age, and other demographic variables whenever possible.

(2) The report required pursuant to subsection (c) of this section shall explain any obstacles or impediments to the availability and collectability of data required pursuant to this section, including whether collecting certain data would put particular populations at risk, along with the substance use and mental health needs and educational and vocational status of justice-involved individuals.

(e) Data sharing. Notwithstanding any provision of law to the contrary, all State and local agencies and departments that possess the data necessary to compile the report required pursuant to this section shall, upon request, provide SAC with any data that it determines is relevant to the report. The obligation to disclose shall supersede any other legal obligation with respect to the data required pursuant to this section, and a department, agency, or other entity shall not decline to disclose data required based on any other purported legal obligation.

(f) Confidentiality. Any data or records transmitted to or obtained by SAC are exempt from public inspection and copying under the Public Records Act and shall be confidential to the extent required by law unless and until the data or records are included in the report required by this section. A State or local agency or department that transmits data or records to SAC shall be the sole records custodian for purposes of responding to requests for the data or records. SAC may direct any request for these data or records to the transmitting agency or department for response.

Sec. 2. 28 V.S.A. § 126 is added to read:

§ 126. COORDINATED JUSTICE REFORM ADVISORY COUNCIL

(a) Creation. There is created the Coordinated Justice Reform Advisory Council to establish a unified and collaborative State approach to support State and local community-based programs and services that are consistent with Vermont's restorative justice policy pursuant to section 2a of this title. The Council shall consult with State and local partners to use a data-driven approach that improves public safety, reduces correctional and criminal justice spending, and reinvests savings or redirects funding in strategies that foster desistance or decrease crime, delinquencies, and recidivism.

(b) Membership. The Coordinated Justice Reform Advisory Council shall be composed of the following members:

(1) the Attorney General or designee with experience in community and restorative justice;

(2) the Chief Superior Judge of the Vermont Superior Court or designee;

(3) the Commissioner of Corrections or designee;

(4) the Commissioner for Children and Families or designee;

(5) the Executive Director of the Vermont Center for Crime Victim Services or designee;

(6) the Executive Director of the Vermont Statistical Analysis Center or designee;

(7) the Executive Director of the Office of Racial Equity or designee;

(8) one current member of the House of Representatives selected from the Joint Legislative Justice Oversight Committee, appointed by the Speaker of the House; and

(9) one current member of the Senate selected from the Joint Legislative Justice Oversight Committee, appointed by the Committee on Committees.

(c) Powers and duties. The Coordinated Justice Reform Advisory Council shall:

(1) review and provide data-driven recommendations for the priorities and appropriations necessary to support a unified and collaborative State approach in accordance with subsection (a) of this section;

(2) review all relevant government appropriations, reauthorizations, and allocations made during the most recent fiscal year;

(3) consult with Department of Mental Health; the Department of State's Attorneys and Sheriffs; the Office of the Defender General; the Parole Board; the Office of the Child, Youth, and Family Advocate; the Vermont Network Against Domestic and Sexual Violence; the Racial Disparities in the Criminal and Juvenile Justice System Advisory Panel; individuals with lived experience in the criminal justice system recommended by the American Civil Liberties Union of Vermont; and community justice entities that receive State funding for programs and services employing restorative justice principles on the potential uses and priorities of funding in accordance with subsection (a) of this section;

(4) consistent with subsection (a) of this section, consider opportunities and make recommendations to establish a sustainable planning and funding structure to administer State and local community-based programs and services and modern data collection systems; and

(5) on or before September 1, 2023 and annually thereafter, recommend to the Commissioner of Corrections the appropriate allocation of not more than $900,000.00 from the Justice Reinvestment II line item of the Department of Corrections' budget for the upcoming fiscal year to support community-based programs and services, related data collection and analysis capacity, and other initiatives in accordance with subsection (a) of this section.

(d) Assistance. The Coordinated Justice Reform Advisory Council shall have the administrative, technical, and legal assistance of the Office of the Attorney General, the Department of Corrections, and the Department for Children and Families for those issues and services within the jurisdiction of the respective office or department.

(e) Reports. On or before November 15, 2023 and annually thereafter, the Coordinated Justice Reform Advisory Council shall submit recommendations pursuant to subdivisions (c)(4) and (c)(5) of this section to the Joint Legislative Justice Oversight Committee; the Senate Committees on Appropriations and on Judiciary; and the House Committees on Appropriations, on Corrections and Institutions, and on Judiciary. Any recommendations submitted pursuant to subdivision (c)(4) shall be in the form of proposed legislation.

(f) Meetings; officers; committees; rules; compensation; term.

(1) The Chief Superior Judge of the Vermont Superior Court or designee shall call the first meeting of the Coordinated Justice Reform Advisory Council on or before July 15, 2023.

(2) The Council shall meet not more than six times per year.

(3) The Chief Superior Judge of the Vermont Superior Court or designee shall serve as the Chair of the Council.

(4) The Council may elect additional officers from its members, establish committees or subcommittees, and adopt procedural rules or bylaws as necessary and appropriate to perform its work.

(5) Members who are appointed to the Council shall be appointed for terms of three years, except that the Commissioners of Corrections and for Children and Families and members appointed by the Speaker of the House of Representative and the Senate Committee on Committees shall be appointed for a term of two years. Initial appointments shall be made such that the Commissioners of Corrections and for Children and Families and the members appointed by the Speaker of the House of Representative and the Senate Committee on Committees shall be appointed for a term of one year. Members shall hold office for the term of their appointments until their successors have been appointed. Vacancies on the Council shall be filled for

the remaining period of the term in the same manner as initial appointments. Members are eligible for reappointment.

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

(7) Members of the Council who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings per year.

(8) Council meetings shall be subject to the Open Meeting Law.

Sec. 3. 28 V.S.A. § 102(c) is amended to read:

(c) The Commissioner is charged with the following responsibilities:

* * *

(23) To include the Coordinated Justice Reform Advisory Council's appropriation recommendations made pursuant to subdivision 126(c)(5) of this title in the Department's annual proposed budget for the purposes of developing the State budget required to be submitted to the General Assembly in accordance with 32 V.S.A. § 306.

Sec. 4. REPEALS

(a) 28 V.S.A. 102(c)(23) (Commissioner of Corrections' responsibility to incorporate Coordinated Justice Reform Advisory Council's recommendations into the Department's budget) is repealed on July 1, 2028.

(b) 28 V.S.A. § 125 (criminal justice investments and trends; report) is repealed on July 1, 2028.

(c) 28 V.S.A. § 126 (Coordinated Justice Reform Advisory Council) is repealed on July 1, 2028.

Sec. 5. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 1 (criminal justice investments and trends; report) and 4(b) (prospective repeal of 28 V.S.A. § 125) shall take effect on passage.

NADER A. HASHIM
TANYA C. VYHOVSKY
ROBERT W. NORRIS

Committee on the part of the Senate

KAREN DOLAN
MARTIN J. LALONDE
THOMAS B. BURDITT

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.

The President *pro tempore* Assumes the Chair

House Proposal of Amendment Concurred In

S. 100.

House proposal of amendment to Senate bill entitled:

An act relating to housing opportunities made for everyone.

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:

* * * Municipal Zoning * * *

Sec. 1. 24 V.S.A. § 4414 is amended to read:

§ 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

* * *

(4) Parking and loading facilities. A municipality may adopt provisions setting forth standards for permitted and required facilities for off-street parking and loading, which may vary by district and by uses within each district. In any district that is served by municipal sewer and water infrastructure that allows residential uses, a municipality shall not require more than one parking space per dwelling unit. However, a municipality may require 1.5 parking spaces for duplexes and multi-unit dwellings in areas not served by sewer and water and in areas that are located more than one-quarter mile away from public parking rounded up to the nearest whole number when calculating the total number of spaces. These bylaws may also include provisions covering the location, size, design, access, landscaping, and screening of those facilities. In determining the number of parking spaces for nonresidential uses and size of parking spaces required under these regulations, the appropriate municipal panel may take into account the existence or availability of employer "transit pass" and rideshare programs, public transit routes, and public parking spaces in the vicinity of the development. ~~However, a municipality shall not require an accessory dwelling unit to have more than one parking space per bedroom.~~

* * *

Sec. 2. 24 V.S.A. § 4412 is amended to read:

§ 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

Notwithstanding any existing bylaw, the following land development provisions shall apply in every municipality:

(1) Equal treatment of housing and required provisions for affordable housing.

* * *

(D) Bylaws shall designate appropriate districts and reasonable regulations for multiunit or multifamily dwellings. No bylaw shall have the effect of excluding these multiunit or multifamily dwellings from the municipality. In any district that allows year-round residential development, duplexes shall be an allowed use with the same dimensional standards as a single-unit dwelling. In any district that is served by municipal sewer and water infrastructure that allows residential development, multiunit dwellings with four or fewer units shall be a permitted use, unless that district specifically requires multiunit structures to have more than four dwelling units.

(E) Except for flood hazard and fluvial erosion area bylaws adopted pursuant to section 4424 of this title, no bylaw shall have the effect of excluding as a permitted use one accessory dwelling unit that is located within or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw ~~may~~ shall require a single-family dwelling with an accessory dwelling unit to be subject to the same review, dimensional, or other controls as required for a single-family dwelling without an accessory dwelling unit. ~~An accessory dwelling unit means a distinct unit that is clearly subordinate to a single-family dwelling, and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all the following:~~ The criteria for conversion of an existing detached nonresidential building to habitable space for an accessory dwelling unit shall not be more restrictive than the criteria used for a single-family dwelling without an accessory dwelling unit.

~~(i) The property has sufficient wastewater capacity.~~

~~(ii) The unit does not exceed 30 percent of the total habitable floor area of the single-family dwelling or 900 square feet, whichever is greater.~~

* * *

(H) No bylaw shall have the effect of prohibiting or penalizing a hotel from renting rooms to provide housing assistance through the State of Vermont's General Assistance program, or to any person whose room is rented with public funds. In this subsection, the term "hotel" has the same meaning as in 32 V.S.A. 9202(3).

* * *

(12) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall establish lot and building dimensional standards that allow five or more dwelling units per acre for each allowed residential use, and density standards for multiunit dwellings shall not be more restrictive than those required for single-family dwellings.

(13) In any area served by municipal sewer and water infrastructure that allows residential development, bylaws shall permit any affordable housing development, as defined in subdivision 4303(2) of this title, including mixed-use development, to exceed density limitations for residential developments by an additional 40 percent, which shall include exceeding maximum height limitations by one floor, provided that the structure complies with the Vermont Fire and Building Safety Code.

Sec. 3. 24 V.S.A. § 4413 is amended to read:

§ 4413. LIMITATIONS ON MUNICIPAL BYLAWS

(a)(1) The following uses may be regulated only with respect to location, size, height, building bulk, yards, courts, setbacks, density of buildings, off-street parking, loading facilities, traffic, noise, lighting, landscaping, and screening requirements, and only to the extent that regulations do not have the effect of interfering with the intended functional use:

(A) State- or community-owned and ~~operated~~ -operated institutions and facilities;

(B) public and private schools and other educational institutions certified by the Agency of Education;

(C) churches and other places of worship, convents, and parish houses;

(D) public and private hospitals;

(E) regional solid waste management facilities certified under 10 V.S.A. chapter 159;

(F) hazardous waste management facilities for which a notice of intent to construct has been received under 10 V.S.A. § 6606a; and

(G) emergency shelters.

(2) Except for State-owned and -operated institutions and facilities, a municipality may regulate each of the land uses listed in subdivision (1) of this subsection for compliance with the National Flood Insurance Program and for compliance with a municipal ordinance or bylaw regulating development in a flood hazard area or river corridor, consistent with the requirements of subdivision 2291(25) and section 4424 of this title. These regulations shall not have the effect of interfering with the intended functional use.

(3) For purposes of this subsection, regulating the daily or seasonal hours of operation of an emergency shelter shall constitute interfering with the intended functional use.

* * *

Sec. 4. 24 V.S.A. § 4303 is amended to read:

§ 4303. DEFINITIONS

The following definitions shall apply throughout this chapter unless the context otherwise requires:

* * *

(38) "Accessory dwelling unit" means a distinct unit that is clearly subordinate to a single-family dwelling and has facilities and provisions for independent living, including sleeping, food preparation, and sanitation, provided there is compliance with all the following:

(A) the property has sufficient wastewater capacity; and

(B) the unit does not exceed 30 percent of the total habitable floor area of the single-family dwelling or 900 square feet, whichever is greater.

(39) "Duplex" means a residential building that has two dwelling units in the same building and neither unit is an accessory dwelling unit.

(40) "Emergency shelter" means any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and that does not require occupants to sign leases or occupancy agreements.

(41) "Multiunit or multifamily dwelling" means a building that contains three or more dwelling units in the same building.

(42)(A) An area "served by municipal sewer and water infrastructure" means:

(i) an area where residential connections and expansions are available to municipal water and direct and indirect discharge wastewater systems and not prohibited by:

(I) State regulations or permits;

(II) identified capacity constraints; or

(III) municipally adopted service and capacity agreements; or

(ii) an area established by the municipality by ordinance or bylaw where residential connections and expansions are available to municipal water and direct and indirect discharge wastewater systems and which may exclude:

(I) flood hazard or inundation areas as established by statute, river corridors or fluvial erosion areas as established by statute, shorelands, areas within a zoning district or overlay district the purpose of which is natural resource protection, and wherever year-round residential development is not allowed;

(II) areas with identified service limits established by State regulations or permits, identified capacity constraints, or municipally adopted service and capacity agreements;

(III) areas served by sewer and water to address an identified community-scale public health hazard or environmental hazard;

(IV) areas serving a mobile home park that is not within an area planned for year-round residential growth;

(V) areas serving an industrial site or park;

(VI) areas where service lines are located to serve the areas described in subdivisions (III)–(V) of this subdivision (ii), but no connections or expansions are permitted; or

(VII) areas that, through an approved Planned Unit Development under section 4417 of this title or Transfer of Development Rights under section 4423 of this title, prohibit year-round residential development.

(B) Municipally adopted areas served by municipal sewer and water infrastructure that limit sewer and water connections and expansions shall not result in the unequal treatment of housing by discriminating against a year-round residential use or housing type otherwise allowed in this chapter.

Sec. 5. 24 V.S.A. § 4441 is amended to read:

§ 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS; AMENDMENT OR REPEAL

* * *

(c) When considering an amendment to a bylaw, the planning commission shall prepare and approve a written report on the proposal. A single report may be prepared so as to satisfy the requirements of this subsection concerning bylaw amendments and subsection 4384(c) of this title concerning plan amendments. ~~The Department of Housing and Community Development shall provide all municipalities with a form for this report.~~ The report shall provide a brief explanation of the proposed bylaw, amendment, or repeal and shall include a statement of purpose as required for notice under section 4444 of this title~~,~~ and shall include findings regarding how the proposal:

(1) ~~Conforms~~ conforms with or furthers the goals and policies contained in the municipal plan, including the effect of the proposal on the availability of safe and affordable housing~~.~~, and sections 4412, 4413, and 4414 of this title;

(2) ~~Is~~ is compatible with the proposed future land uses and densities of the municipal plan~~.~~; and

(3) ~~Carries~~ carries out, as applicable, any specific proposals for any planned community facilities.

* * *

(h) Upon adoption or amendment of a bylaw, the planning commission shall prepare an adoption report in form and content provided by the Department of Housing and Community Development that:

(1) confirms that zoning districts' GIS data has been submitted to the Department and that the data complies with the Vermont Zoning GIS Data Standard adopted pursuant to 10 V.S.A. § 123;

(2) confirms that the complete bylaw has been uploaded to the Municipal Plan and Bylaw Database;

(3) demonstrates conformity with sections 4412, 4413, and 4414 of this title; and

(4) provides information on the municipal application of subchapters 7 (bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal Planning Data Center and the prospective development of a statewide zoning atlas.

Sec. 6. 24 V.S.A. § 4465 is amended to read:

§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

(a) An interested person may appeal any decision or act taken by the administrative officer in any municipality by filing a notice of appeal with the secretary of the board of adjustment or development review board of that municipality or with the clerk of that municipality if no such secretary has been elected. This notice of appeal must be filed within 15 days ~~of~~ following the date of that decision or act, and a copy of the notice of appeal shall be filed with the administrative officer.

(b) ~~For the purposes of~~ As used in this chapter, an "interested person" means any one of the following:

(1) A person owning title to property, or a municipality or solid waste management district empowered to condemn it or an interest in it, affected by a bylaw, who alleges that the bylaw imposes on the property unreasonable or inappropriate restrictions of present or potential use under the particular circumstances of the case.

(2) The municipality that has a plan or a bylaw at issue in an appeal brought under this chapter or any municipality that adjoins that municipality.

(3) A person owning or occupying property in the immediate neighborhood of a property that is the subject of any decision or act taken under this chapter, who can demonstrate a physical or environmental impact on the person's interest under the criteria reviewed, and who alleges that the decision or act, if confirmed, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality.

(4) Any ~~ten~~ 10 persons who may be any combination of voters, residents, or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. For purposes of this subdivision, an appeal shall not include the character of the area affected if the project has a residential component that includes affordable housing.

(5) Any department and administrative subdivision of this State owning property or any interest in property within a municipality listed in subdivision (2) of this subsection, and the Agency of Commerce and Community Development of this State.

* * *

* * * Subdivisions * * *

Sec. 7. 24 V.S.A. § 4463 is amended to read:

§ 4463. SUBDIVISION REVIEW

(a) Approval of plats. Before ~~any~~ a plat for a major subdivision is approved, a public hearing on the plat shall be held by the appropriate municipal panel after public notice. A bylaw may provide for the administrative officer to approve minor subdivisions. A copy of the notice shall be sent to the clerk of an adjacent municipality, in the case of a plat located within 500 feet of a municipal boundary, at least 15 days prior to the public hearing.

(b) Plat; record. The approval of the appropriate municipal panel or administrative officer, if the bylaws provide for their approval of minor subdivisions, shall expire 180 days from that approval or certification unless, within that 180-day period, that plat shall have been duly filed or recorded in the office of the clerk of the municipality. After an approved plat or certification by the clerk is filed, no expiration of that approval or certification shall be applicable.

(1) The bylaw may allow the administrative officer to extend the date for filing the plat by an additional 90 days~~,~~ if final local or State permits or approvals are still pending.

(2) No plat showing a new street or highway may be filed or recorded in the office of the clerk of the municipality until it has been approved by the appropriate municipal panel, or administrative officer if allowed under the bylaws, pursuant to subsection (a) of this section, and that approval is endorsed in writing on the plat, or the certificate of the clerk of the municipality showing the failure of the appropriate municipal panel to take action within the 45-day period is attached to the plat and filed or recorded with the plat. After that filing or recording, the plat shall be a part of the official map of the municipality.

* * *

Sec. 8. 24 V.S.A. § 4418 is amended to read:

§ 4418. SUBDIVISION BYLAWS

* * *

(2) Subdivision bylaws may include:

(A) ~~Provisions~~ provisions allowing the appropriate municipal panel to waive or modify, subject to appropriate conditions, the provision of any or

all improvements and requirements as in its judgment of the special circumstances of a particular plat or plats are not requisite in the interest of the public health, safety, and general welfare, or are inappropriate because of inadequacy or lack of connecting facilities adjacent or in proximity to the subdivision.;

(B) ~~Procedures~~ procedures for conceptual, preliminary, partial, and other reviews preceding submission of a subdivision plat, including any administrative reviews.;

(C) ~~Specific~~ specific development standards to promote the conservation of energy or to permit the utilization of renewable energy resources, or both.;

(D) State standards and criteria under 10 V.S.A. § 6086(a); and

(E) provisions to allow the administrative officer to approve minor subdivisions.

* * * Appeals * * *

Sec. 9. 24 V.S.A. § 4471 is amended to read:

§ 4471. APPEAL TO ENVIRONMENTAL DIVISION

* * *

(e) ~~Neighborhood development area~~ Designated areas. Notwithstanding subsection (a) of this section, a determination by an appropriate municipal panel that a residential development will not result in an undue adverse effect on the character of the area affected shall not be subject to appeal if the ~~determination is that a~~ proposed residential development seeking conditional use approval under subdivision 4414(3) of this title is within a designated downtown development district, designated growth center, ~~designated Vermont neighborhood,~~ or designated neighborhood development area ~~seeking conditional use approval will not result in an undue adverse effect on the character of the area affected under subdivision 4414(3) of this title~~. Other elements of the determination made by the appropriate municipal panel may be appealed.

* * * By Right * * *

Sec. 10. 24 V.S.A. § 4464(b) is amended to read:

(b) Decisions.

* * *

(7)(A) A decision rendered by the appropriate municipal panel for a housing development or the housing portion of a mixed-use development shall not:

(i) require a larger lot size than the minimum as determined in the municipal bylaws;

(ii) require more parking spaces than the minimum as determined in the municipal bylaws and in section 4414 of this title;

(iii) limit the building size to less than that allowed in the municipal bylaws, including reducing the building footprint or height;

(iv) limit the density of dwelling units to below that allowed in the municipal bylaws; and

(v) otherwise disallow a development to abide by the minimum or maximum applicable municipal standards.

(B) However, a decision may require adjustments to the applicable municipal standards listed in subdivision (A) of this subdivision (7) if the panel or officer issues a written finding stating:

(i) why the modification is necessary to comply with a prerequisite State or federal permit, municipal permit, or a nondiscretionary standard in a bylaw or ordinance, including requirements related to wetlands, setbacks, and flood hazard areas and river corridors; and

(ii) how the identified restrictions do not result in an unequal treatment of housing or an unreasonable exclusion of housing development otherwise allowed by the bylaws.

Sec. 11. 24 V.S.A. § 4348a is amended to read:

§ 4348a. ELEMENTS OF A REGIONAL PLAN

(a) A regional plan shall be consistent with the goals established in section 4302 of this title and shall include the following:

* * *

(9) A housing element that identifies the regional and community-level need for housing ~~for all economic groups in the region and communities. In establishing the identified need, due consideration shall be given to~~ that will result in an adequate supply of building code and energy code compliant homes where most households spend not more than 30 percent of their income on housing and not more than 15 percent on transportation. To establish housing needs, the Department of Housing and Community Development shall

publish statewide and regional housing targets or ranges as part of the Statewide Housing Needs Assessment. The regional planning commission shall consult the Statewide Housing Needs Assessment; current and expected demographic data; the current location, quality, types, and cost of housing; other local studies related to housing needs; and data gathered pursuant to subsection 4382(c) of this title. If no such data has been gathered, the regional planning commission shall gather it. The regional planning commission's assessment shall estimate the total needed housing investments in terms of price, quality, unit size or type, and zoning district as applicable and shall disaggregate regional housing targets or ranges by municipality. The housing element shall include a set of recommended actions to satisfy the established needs.

* * *

Sec. 12. 24 V.S.A. § 4382 is amended to read:

§ 4382. THE PLAN FOR A MUNICIPALITY

(a) A plan for a municipality ~~may~~ shall be consistent with the goals established in section 4302 of this title and compatible with approved plans of other municipalities in the region and with the regional plan and shall include the following:

* * *

(10) A housing element that shall include a recommended program for ~~addressing low and moderate income persons'~~ public and private actions to address housing needs as identified by the regional planning commission pursuant to subdivision 4348a(a)(9) of this title. The program should use data on year-round and seasonal dwellings and include specific actions to address the housing needs of persons with low income and persons with moderate income and account for permitted ~~accessory dwelling units, as defined in subdivision 4412(1)(E) of this title, which provide affordable housing~~ residential development as described in section 4412 of this title.

* * *

Sec. 13. 24 V.S.A. § 4442 is amended to read:

§ 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY TOOLS; AMENDMENT OR REPEAL

* * *

(c) Routine adoption.

~~(1)~~ A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a majority of the members of the legislative body at a meeting that is held after

the final public hearing, and shall be effective 21 days after adoption unless, by action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is warned for adoption by the municipality by Australian ballot at a special or regular meeting of the municipality.

~~(2) However, a rural town as defined in section 4303 of this chapter, by vote of that town at a special or regular meeting duly warned on the issue, may elect to require that bylaws, bylaw amendments, or bylaw repeals shall be adopted by vote of the town by Australian ballot at a special or regular meeting duly warned on the issue. That procedure shall then apply until rescinded by the voters at a regular or special meeting of the town.~~

* * *

Sec. 14. 24 V.S.A. § 4306 is amended read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

* * *

(b)(1) Allocations for performance contract funding to regional planning commissions shall be determined according to a formula to be adopted by rule under 3 V.S.A. chapter 25 by the Department for the assistance of the regional planning commissions. Disbursement of funding to regional planning commissions shall be predicated upon meeting performance goals and targets pursuant to the terms of the performance contract.

(2) Disbursement to municipalities shall be awarded annually on or before December 31 through a competitive program administered by the Department providing the opportunity for any eligible municipality or municipalities to compete regardless of size, provided that to receive funds, a municipality:

(A) shall be confirmed under section 4350 of this title; or

(B)(i) shall use the funds for the purpose of developing a municipal plan to be submitted for approval by the regional planning commission, as required for municipal confirmation under section 4350 of this title; and

(ii) shall have voted at an annual or special meeting to provide local funds for municipal and regional planning purposes.

(3) Of the annual disbursement to municipalities, an amount not to exceed 20 percent of the total may be disbursed to the Department to administer a program providing direct technical consulting assistance under retainer on a rolling basis to any eligible municipality to meet the requirements for designated neighborhood development area under chapter 76A of this title,

provided that the municipality is eligible for funding under subdivision (2) and meets funding guidelines established by the Department to ensure accessibility for lower capacity communities, municipal readiness, and statewide coverage.

(4) Of the annual disbursement to municipalities, the Department may allocate funding as bylaw modernization grants under 4307.

* * *

~~(d) New funds allocated to municipalities under this section may take the form of Municipal Bylaw Modernization Grants in accordance with section 4307 of this title.~~

* * * Regional Planning * * *

Sec. 15. REGIONAL PLANNING REPORT

(a) On or before December 15, 2023, the Vermont Association of Planning and Development Agencies shall report on statutory recommendations to better integrate and implement municipal, regional, and State plans, policies, and investments by focusing on regional future land use maps and policies. In the process of creating the Regional Planning Report, the Vermont Association of Planning and Development Agencies shall consider possible new methods of public engagement that promote equity and expand opportunity for meaningful participation by impacted communities in the decisions affecting their physical and social environment.

(b) The recommendations shall address how to accomplish the following:

(1) Aligning policies and implementation between municipalities, regional planning commissions, and State entities to better address climate change, climate resiliency, natural resources, housing, transportation, economic development, other social determinants of health, and other place-based issues.

(2) Building upon municipal and regional enhanced energy plans and their implementation.

(3) Evaluating place-based policy and project decisions by the State, regional planning commissions, and municipalities related to implementing regional future land use maps and policies and recommending changes to which of those governmental levels those decisions should occur, if necessary.

(4) Ensuring that State agency investment and policy decisions that relate to land development are consistent with regional and local plans. The investments assessed should include, at a minimum:

(A) drinking water;

(B) wastewater;

(C) stormwater;

(D) transportation;

(E) community and economic development;

(F) housing;

(G) energy; and

(H) telecommunications.

(5) Achieving statewide consistency of future land use maps and policies to better support Act 250 and 30 V.S.A. § 248.

(6) How Act 250 and 30 V.S.A. § 248 could better support implementation of regional future land use maps and policies.

(7) Better support implementation of regional future land use maps and policies in the State designation program under 24 V.S.A. chapter 76A.

(8) Improving the quality and effectiveness of future land use maps in regional and municipal plans through changes to 24 V.S.A. chapter 117 including:

(A) future land use map area delineations, definitions, statements, and policies;

(B) existing settlement definitions and their relationship to future land use maps;

(C) the role of regional plans in the review and approval of municipal plans and planning processes; and

(D) a review mechanism to ensure bylaws are consistent with municipal plans.

(c) The report should also discuss how best to implement the recommendations, including the following:

(1) how best to phase in the recommendations;

(2) how to establish a mechanism for the independent review of regional plans to ensure consistency with statutory requirements;

(3) what guidance and training will be needed to implement the recommendations; and

(4) what incentives and accountability mechanisms are necessary to accomplish these changes at all levels of government.

(d) The Vermont Association of Planning and Development Agencies shall consult with the Agency of Transportation, the Agency of Natural Resources, the Agency of Commerce and Community Development, the Department of Public Service, Vermont Emergency Management, the Natural Resources Board, the regional development corporations, the Vermont League of Cities and Towns, statewide environmental organizations, and other interested parties in developing the report and shall summarize comments.

(e) On or before December 15, 2023, the Vermont Association of Planning and Development Agencies shall submit the report to the following committees: the Senate Committees on Economic Development, Housing and General Affairs, on Government Operations, on Natural Resources and Energy, and on Transportation and the House Committees on Commerce and Economic Development, on Environment and Energy, on General and Housing, on Government Operations and Military Affairs, and on Transportation.

(f) The Vermont Association of Planning and Development Agencies shall be funded in fiscal year 2023 and fiscal year 2024 for this study through the regional planning grant established in 24 V.S.A. § 4306.

Sec. 15a. HOUSING RESOURCE NAVIGATOR FOR REGIONAL PLANNING COMMISSIONS

(a) The Vermont Association of Planning and Development Agencies shall hire Housing Resource Navigators to work with municipalities, regional and local housing organizations, and private developers to identify housing opportunities, match communities with funding resources, and provide project management support.

(b) The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Vermont Association of Planning and Development Agencies for the purpose of hiring the Housing Navigators as described in subsection (a) of this section.

* * * Act 250 * * *

Sec. 16. 10 V.S.A. § 6001 is amended to read:

§ 6001. DEFINITIONS

As used in this chapter:

* * *

(3)(A) "Development" means each of the following:

* * *

(iv) The construction of housing projects such as cooperatives, condominiums, or dwellings, or construction or maintenance of mobile homes or mobile home parks, with 10 or more units, constructed or maintained on a tract or tracts of land, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. However:

* * *

(xi) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of housing projects such as cooperatives, condominiums, dwellings, or mobile homes, with 25 or more units, constructed or maintained on a tract or tracts of land, located entirely within a designated downtown development district, a designated neighborhood development area, a designated village center with permanent zoning and subdivision bylaws, or a designated growth center, owned or controlled by a person, within a radius of five miles of any point on any involved land and within any continuous period of five years. For purposes of this subsection, the construction of four units or fewer of housing in an existing structure shall only count as one unit towards the total number of units

* * *

(D) The word "development" does not include:

* * *

(viii)(I) The construction of a priority housing project in a municipality with a population of 10,000 or more.

(II) If the construction of a priority housing project in this subdivision (3)(D)(viii) involves demolition of one or more buildings that are listed or eligible to be listed on the State or National Register of Historic Places, this exemption shall not apply unless the Division for Historic Preservation has made the determination described in subdivision (A)(iv)(I)(ff) of this subdivision (3) and any imposed conditions are enforceable in the manner set forth in that subdivision.

(III) Notwithstanding any other provision of law to the contrary, until July 1, 2026, the construction of a priority housing project located entirely within a designated downtown development district, designated neighborhood development area, or a designated growth center.

* * *

Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS

In order to qualify for the exemptions established in 10 V.S.A. § 6001 (3)(A)(xi) and (3)(D)(viii)(III), a person shall request a jurisdictional opinion under 10 V.S.A. § 6007 on or before June 30, 2026. The jurisdictional opinion shall require the project to substantially complete construction on or before June 30, 2029 in order to remain exempt.

Sec. 17. 10 V.S.A. § 6086b is amended to read:

§ 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN PERMITS

(a) Findings and conclusions. Notwithstanding any provision of this chapter to the contrary, each of the following shall apply to a development or subdivision that is completely within a downtown development district designated under 24 V.S.A. chapter 76A and for which a permit or permit amendment would otherwise be required under this chapter:

(1) In lieu of obtaining a permit or permit amendment, a person may request findings and conclusions from the District Commission, which shall approve the request if it finds that the development or subdivision will meet subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water available), (3) (burden on existing water supply), (4) (soil erosion), (5) (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas), (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy conservation), and (9)(K) (public facilities, services, and lands) of this title.

* * *

(b) Master plan permits.

(1) Any municipality within which a downtown development district or neighborhood development area has been formally designated pursuant to 24 V.S.A. chapter 76A may apply to the District Commission for a master plan permit for that area or any portion of that area pursuant to the rules of the Board. Municipalities making an application under this subdivision are not required to exercise ownership of or control over the affected property.

(2) Subsequent development of an individual lot within the area of the master plan permit that requires a permit under this chapter shall take the form of a permit amendment.

(3) In neighborhood development areas, subsequent master plan permit amendments shall only be issued for development that is housing.

(4) In approving a master plan permit and amendments, the District Commission may include specific conditions that an applicant for an individual project permit shall be required to meet.

(5) For a master plan permit issued pursuant to this section, an application for an amendment may use the findings issued in the master plan permit as a rebuttable presumption to comply within any applicable criteria under subsection 6086(a) of this title.

Sec. 18. 10 V.S.A. § 6083a is amended to read:

§ 6083a. ACT 250 FEES

(a) All applicants for a land use permit under section 6086 of this title shall be directly responsible for the costs involved in the publication of notice in a newspaper of general circulation in the area of the proposed development or subdivision and the costs incurred in recording any permit or permit amendment in the land records. In addition, applicants shall be subject to each of the following fees for the purpose of compensating the State of Vermont for the direct and indirect costs incurred with respect to the administration of the Act 250 program:

(1) For applications for projects involving construction, $6.65 for each $1,000.00 of the first $15,000,000.00 of construction costs, and $3.12 for each $1,000.00 of construction costs above $15,000,000.00. An additional $0.75 for each $1,000.00 of the first $15,000,000.00 of construction costs shall be paid to the Agency of ~~National~~ Natural Resources to account for the Agency of Natural Resources' review of Act 250 applications.

(2) For applications for projects involving the creation of lots, $125.00 for each lot.

(3) For applications for projects involving exploration for or removal of oil, gas, and fissionable source materials, a fee as determined under subdivision (1) of this subsection or $1,000.00 for each day of Commission hearings required for such projects, whichever is greater.

(4) For applications for projects involving the extraction of earth resources, including sand, gravel, peat, topsoil, crushed stone, or quarried material, the greater of: a fee as determined under subdivision (1) of this subsection; or a fee equivalent to the rate of $0.02 per cubic yard of the first million cubic yards of the total volume of earth resources to be extracted over the life of the permit, and $.01 per cubic yard of any such earth resource extraction above one million cubic yards. Extracted material that is not sold or does not otherwise enter the commercial marketplace shall not be subject to the fee. The fee assessed under this subdivision for an amendment to a permit

shall be based solely upon any additional volume of earth resources to be extracted under the amendment.

(5) For applications for projects involving the review of a master plan, a fee equivalent to $0.10 per $1,000.00 of total estimated construction costs in current dollars in addition to the fee established in subdivision (1) of this subsection for any portion of the project seeking construction approval.

~~(6) In no event shall a permit application fee exceed $165,000.00.~~

(b) Notwithstanding the provisions of subsection (a) of this section, there shall be a minimum fee of $187.50 for original applications and $62.50 for amendment applications, in addition to publication and recording costs. These costs shall be in addition to any other fee established by statute, unless otherwise expressly stated. In addition, in no event shall the fee for an individual permit or permit amendment application, including each individual permit or permit amendment application seeking approval for any portion of a project involving a master plan, exceed $165,000.00.

* * *

Sec. 18a. REPORT; ACT 250 MUNICIPAL DELEGATION

(a) The Vermont Association of Planning and Development Agencies, in consultation with the Natural Resources Board, shall develop a proposed framework for delegating administration of Act 250 permits to municipalities. They shall consult with other relevant stakeholders, including those with experience issuing Act 250 permits under 10 V.S.A. chapter 151, environmental organizations, State agencies, and municipal planning and zoning officials. Each regional planning commission shall hold one public meeting on the framework.

(b) On or before December 31, 2023, the Vermont Association of Planning and Development Agencies shall report to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy on the proposed framework to delegate Act 250 permit administration to municipalities.

Sec. 19. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:

Sec. 41. REPORT; NATURAL RESOURCES BOARD

(a) On or before December 31, 2023, the Chair of the Natural Resources Board shall report to the House Committees on ~~Natural Resources, Fish, and Wildlife~~ Environment and Energy and on Ways and Means and the Senate Committees on Finance and on Natural Resources and Energy on necessary updates to the Act 250 program.

(b) The report shall include:

(1) How to transition to a system in which Act 250 jurisdiction is based on location, which shall encourage development in designated areas~~,~~; the maintenance of intact rural working lands~~,~~; and the protection of natural resources of statewide significance, including biodiversity. Location-based jurisdiction would adjust the threshold for Act 250 jurisdiction based on the characteristics of the location. This section of the report shall consider whether to develop thresholds and tiers of jurisdiction as recommended in the Commission on Act 250: the Next 50 Years Report.

(2) How to use the Capability and Development Plan to meet the statewide planning goals.

(3) An assessment of the current level of staffing of the Board and District Commissions, including whether there should be a district coordinator located in every district.

(4) Whether the permit fees are sufficient to cover the costs of the program and, if not, a recommendation for a source of revenue to supplement the fees.

(5) Whether the permit fees are effective in providing appropriate incentives.

(6) Whether the Board should be able to assess its costs on applicants.

(7) Whether increasing jurisdictional thresholds for housing development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect housing affordability, especially for primary homeownership, and what the potential impact of increasing those thresholds to 25 units would have on natural and community resources addressed under existing Act 250 criteria.

Sec. 19a. 2022 Acts and Resolves No. 182, Sec. 40 is amended to read:

Sec. 40. DESIGNATED AREA REPORT; APPROPRIATION

* * *

(3) On or before ~~July 15, 2023,~~ December 31, 2023, the consultant shall submit a written report to the General Assembly with its findings and any recommendations for legislative action.

Sec. 19b. 10 V.S.A. § 6081(y) is added to read:

(y) No permit or permit amendment is required for a retail electric distribution utility's rebuilding of existing electrical distribution lines and related facilities to improve reliability and service to existing customers,

through overhead or underground lines in an existing corridor, road, or State or town road right-of-way. Nothing in this section shall be interpreted to exempt projects under this subsection from other required permits or the conditions on lands subject to existing permits required by this section.

Sec. 19c. EXEMPTION REPEAL

10 V.S.A. § 6081(y) is repealed on January 1, 2026.

Sec. 19d. ELECTRIC DISTRIBUTION UTILITY PROJECT REPORT

On or before January 15, 2024, and annually until 2026, any distribution utility that takes an action exempt under 10 V.S.A. § 6081(y) shall report to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy on the projects completed pursuant to that exemption in the preceding year. The report shall address: the location of the projects, including whether it is located in a "1-acre town" or a "10-acre town"; how many customers are affected by the project; whether the project involved lines being hardened in place, buried underground, or relocated to the right-of-way; how many poles were removed and how many poles were set; and what permits the projects were required to receive.

* * * Covenants * * *

Sec. 20. 27 V.S.A. § 545 is amended to read:

§ 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF SUBSTANTIAL PUBLIC INTEREST

(a) Deed restrictions, covenants, or similar binding agreements added after March 1, 2021 that prohibit or have the effect of prohibiting land development allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.

(b) Deed restrictions or covenants added after July 1, 2023 shall not be valid if they require a minimum dwelling unit size on the property or more than one parking space per dwelling unit if the property is located in an area served by municipal sewer and water infrastructure as defined in 24 V.S.A. § 4303 that allows residential uses or more than 1.5 parking spaces for duplexes and multi-unit dwellings in areas not served by sewer and water and in areas that are located more than one-quarter mile away from public parking rounded up to the nearest whole number when calculating the total number of spaces.

(c) This section shall not affect the enforceability of any property interest held in whole or in part by a qualified organization or State agency as defined in 10 V.S.A. § 6301a, including any restrictive easements, such as conservation easements and historic preservation rights and interests defined in 10 V.S.A. § 822. This section shall not affect the enforceability of any property interest

that is restricted by a housing subsidy covenant as defined by section 610 of this title and held in whole or in part by an eligible applicant as defined in 10 V.S.A. § 303(4) or the Vermont Housing Finance Agency.

* * * Road Disclosure * * *

Sec. 21. 27 V.S.A. § 617 is added to read:

§ 617. DISCLOSURE OF CLASS 4 ROAD

(a) Disclosure of maintenance on class 4 highway. Any property owner who sells property located on a class 4 highway or legal trail shall disclose to the buyer that the municipality is not required to maintain the highway or trail as described in 19 V.S.A. § 310.

(b) Marketability of title. Noncompliance with the requirements of this section shall not affect the marketability of title of a property.

* * * Building Energy Code Study Committee * * *

Sec. 22. FINDINGS

The General Assembly finds that:

(1) Vermont established the Residential Building Energy Standards (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in 2007. The Public Service Department is responsible for adopting and updating these codes regularly but does not have the capacity to administer or enforce them.

(2) The RBES and CBES are mandatory, but while municipalities with building departments handle some aspects of review and inspection, there is no State agency or office designated to interpret, administer, and enforce them.

(3) The Division of Fire Safety in the Department of Public Safety is responsible for development, administration, and enforcement of building codes but does not currently have expertise or capacity to add administration or enforcement of energy codes in buildings.

(4) Studies in recent years show compliance with the RBES at about 54 percent and CBES at about 87 percent, with both rates declining. Both codes are scheduled to become more stringent with the goal of "net-zero ready" by 2030.

(5) In December 2022, the U.S. Department of Energy issued the Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation Funding Opportunity Announcement. The first $45 million of a five-year

$225 million program is available in 2023. Vermont's increased code compliance plans should include contingencies for this potential funding.

Sec. 23. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

(a) Creation. There is created the Building Energy Code Study Committee to recommend strategies for increasing compliance with the Residential Building Energy Standards (RBES) and Commercial Building Energy Standards (CBES).

(b) Membership. The Committee shall have 15 members with applicable expertise, to include program design and implementation, building code administration and enforcement, and Vermont's construction industry. The Speaker of the House shall appoint three members, including up to one legislator. The Committee on Committees shall appoint two members, including up to one legislator. The remaining members shall be the following:

(1) the Commissioner of Public Service or designee;

(2) the Director of Fire Safety or designee;

(3) a representative of Efficiency Vermont;

(4) a representative of American Institute of Architects–Vermont;

(5) a representative of the Vermont Builders and Remodelers Association;

(6) a representative the Burlington Electric Department;

(7) a representative of Vermont Gas Systems;

(8) a representative of the Association of General Contractors of Vermont;

(9) a representative of the Vermont League of Cities and Towns; and

(10) a representative from a regional planning commission.

(c) Powers and duties. The Committee shall:

(1) consider and recommend strategies to increase awareness of and compliance with the RBES and CBES, including the potential designation of the Division of Fire Safety (DFS) in the Department of Public Safety as the statewide authority having jurisdiction for administration, interpretation, and enforcement, in conjunction with DFS' existing jurisdiction, over building codes;

(2) evaluate current cost-effectiveness analyses for the RBES and the CBES, whether they include or should include nonenergy benefits such as

public health benefits and the cost of carbon, and how that impacts the affordability of housing projects and provide recommendations; and

(3) assess how the building energy codes interact with the fire and building safety codes.

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Public Service. The Department shall hire a third-party consultant to assist and staff the Committee, which may be funded by monies appropriated by the General Assembly or any grant funding received.

(e) Report. On or before December 1, 2023, the Committee shall submit a written report to the General Assembly with its findings and recommendations for legislative action.

(f) Meetings.

(1) The Department of Public Service shall call the first meeting of the Committee to occur on or before July 15, 2023.

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

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

(4) The final meeting shall be held on or before October 31, 2023. The Committee shall cease to exist on December 1, 2023.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the legislator's 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 six meetings.

(2) Other members of the Committee who are not otherwise compensated by their employer 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.

(3) The payments under this subsection (g) shall be made from monies appropriated by the General Assembly or any grant funding received.

Sec. 24. RURAL RECOVERY COORDINATION COUNCIL

(a) Goals. The Rural Recovery Coordination Council is created to study and make recommendations on how to strengthen coordination between agencies and stakeholders involved in rural community development.

(b) Purposes. The Council shall consider and identify strategies to:

(1) prioritize areas of investment into Vermont's rural communities in order to ensure necessary resources to meet Vermont's climate goals, rural community development objectives, and environmental sustainability requirements;

(2) build long-term emergency and disaster preparedness and recovery;

(3) ensure intergovernmental and regional communications and coordination; and

(4) improve access to technical assistance and support from regional and statewide agencies and programs.

(c) Powers and duties. The Council shall identify structural changes and improve coordination across all levels of government to support rural community development, including addressing the following issues:

(1) a permanent structure for ensuring rural community development programming within State government;

(2) how to better include rural voices in regional collaboration and prioritization projects;

(3) how municipal, regional, and State plans, policies, and investments can be integrated and mutually supportive;

(4) where to establish an office of Rural Community Development and how long the office should be authorized for; and

(5) how to support capacity at the municipal level and how to support multitown coordination and collaboration.

(d) Report. On or before December 15, 2023, the Council shall report to the General Assembly and to the Agency of Administration with its findings, recommendations, and draft legislation.

(e) Members. The Council shall comprise the following members:

(1) the Vermont Chief Performance Officer or designee;

(2) the Secretary of Commerce and Community Development or designee;

(3) the Commissioner of Public Service or designee;

(4) the Secretary of Transportation or designee;

(5) the Director of Racial Equity or designee;

(6) one or more representatives from the regional planning commissions appointed by the Vermont Association of Planning and Development Agencies;

(7) one or more representatives from the regional development corporations appointed by the Regional Development Corporations of Vermont;

(8) the Executive Director of the Vermont League of Cities and Towns or designee;

(9) a member, appointed by the Vermont Communications Union Districts Association;

(10) the Secretary of Natural Resources or designee;

(11) a member, appointed by the University of Vermont Office of Engagement;

(12) a member, appointed by the Vermont Housing and Conservation Board;

(13) a member of the House of Representatives, appointed by the Speaker of the House; and

(14) a member of the Senate, appointed by the Committee on Committees.

(f) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Council shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

(2) Other members of the Council shall be entitled to per diem compensation and reimbursement of expenses as permitted under 32 V.S.A. § 1010.

(g) Meetings; administration.

(1) The Council shall meet at least five times and take testimony from a variety of stakeholders, including from representatives from municipalities of variety of sizes and from those with experience in state land use planning, regional planning, municipal planning, economic planning, or strategic planning.

(2) The Vermont Council on Rural Development shall convene the first meeting the Rural Recovery Coordination Council, facilitate the meetings, and provide administrative support.

(3) The Committee shall cease to exist on March 31, 2024.

(h) The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Agency of Commerce and Community Development to provide funding for the Council as follows:

(1) an appropriation to the Vermont Council on Rural Development to convene meetings of the Council and provide administrative and policy support; and

(2) an appropriation to provide per diem compensation and reimbursement of expenses for members of the Council.

Sec. 25. ANR REVIEW OF PERMITTING OF POTABLE WATER AND WASTEWATER CONNECTION PERMITS

(a) The Agency of Natural Resources (ANR) shall review the statutory requirements, regulatory requirements, and ANR processes governing ANR's issuance of potable water and wastewater connection permits in order to identify approaches for reducing the administrative burden and costs incurred by municipalities and permit applicants. In conducting its review, ANR shall consult with the Agency of Commerce and Community Development, representatives of municipalities, professional engineers and licensed designers, and environmental organizations regarding alternatives for improving permitting of potable water and wastewater connections.

(b) In conducting the review required by this section, ANR shall:

(1) review and analyze the permitting standards and permit processes for potable water and wastewater connections in other jurisdictions;

(2) identify any State permitting requirements or ANR processes that may be duplicated under State and local permits and propose how to eliminate such redundancies;

(3) assess how to simplify and expedite the permitting process for potable water and wastewater connection permits;

(4) identify data and document sharing and management solutions for potable water and wastewater connections connection permits, including how to make municipal and State permits available to the public in an electronic format or on a statewide platform; and

(5) propose revised criteria for the issuance of potable water and wastewater connections connection permits, including criteria to address

public interest, public health and safety, and environmental impacts of connections.

(c) ANR shall complete the review required by this section on or before July 1, 2025. The Agency is authorized to implement or revise any permitting processes or criteria that do not require or conflict with statutory or regulatory authority. On or before January 31, 2025, the Agency shall present to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy a written report or oral testimony on the status of the review required under this section, including potential recommended statutory or regulatory changes.

Sec. 25a. UTILITY DISCONNECTION; LANDLORD NOTIFICATION; PUBLIC UTILITY COMMISSION; RULEMAKING

(a) For the purpose of promoting safety, the protection of property, and providing assistance to tenants, the Public Utility Commission shall revise its rules concerning utility service disconnection to:

(1) require that a utility provide notice to the property owner of residential or nonresidential rental property if utility service to the property has been disconnected, even if the tenant is the ratepayer; and

(2) allow a utility to disconnect utility service remotely.

(b) As used in this section, "utility service" means gas, electric, water, and wastewater service subject to the jurisdiction of the Public Utility Commission.

(c) The rules adopted pursuant to subdivision (a)(1) of this section shall:

(1) establish the form, content, time, and manner of the notification required by subdivision (a)(1) of this section;

(2) include a process whereby a property owner can request that the notification is provided to a property manager or other appropriate third party; and

(3) ensure that the notification does not include personal or confidential information pertaining to the tenant or the tenant's account, except that the utility may disclose information necessary to enable the property owner or other applicable third party to reconnect utility service to the property.

(d) On or before January 1, 2024, the Public Utility Commission shall submit to the House Committees on General and Housing and on Environment and Energy and the Senate Committees on Economic Development, Housing and General Affairs and on Finance a proposal in the form of draft legislation

that incorporates, as the Commission deems appropriate, the rules adopted by the Commission pursuant to this section and that applies to utility disconnections not subject to the jurisdiction of the Commission, including water and sewer service provided by a water or sewer system owned by a municipality, fire district, or private company subject to the uniform water and sewer disconnection requirements in 24 V.S.A. chapter 129.

* * * ADU Jurisdiction * * *

Sec. 26. 20 V.S.A. § 2730 is amended to read:

§ 2730. DEFINITIONS

(a) As used in this subchapter, "public building" means:

(1)(A) a building owned or occupied by a public utility, hospital, school, house of worship, convalescent center or home for elders or persons who have an infirmity or a disability, nursery, kindergarten, or child care;

* * *

(D) a building in which people rent accommodations, whether overnight or for a longer term;

* * *

(b) The term "public building" does not include:

(1) An owner-occupied ~~single family~~ single-family residence, unless used for a purpose described in subsection (a) of this section.

* * *

(4) ~~A single family~~ An owner-occupied single-family residence with an accessory dwelling unit as permitted under 24 V.S.A. § 4412(1)(E), unless rented overnight or for a longer term as described in subdivision (1)(D) of subsection (a) of this section.

* * *

* * * Enforcement * * *

Sec. 27. [Deleted.]

Sec. 28. 9 V.S.A. § 4507 is amended to read:

§ 4507. CRIMINAL PENALTY

A person who violates a provision of this chapter shall be fined not more than ~~$1,000.00~~ $10,000.00 per violation.

* * * Building Safety * * *

Sec. 29. VERMONT FIRE AND BUILDING SAFETY CODE; POTENTIAL REVISIONS; REPORT

(a) On or before January 15, 2024, the Executive Director of the Division of Fire Safety shall submit a written report to the General Assembly that identifies and examines provisions from other jurisdictions' fire and life safety codes for residential buildings that:

(1) would facilitate in Vermont:

(A) the increased construction of new residential units;

(B) the conversion of existing space into new residential units; or

(C) both; and

(2) could be incorporated into the Vermont Fire and Building Safety Code.

(b) The report shall include recommendations for any legislative action necessary to enable the identified provisions to be incorporated into Vermont's Fire and Building Safety Code.

* * * Eviction Rescue Fund * * *

Sec. 30. [Deleted.]

* * * HomeShare * * *

Sec. 31. HOMESHARING OPPORTUNITIES

In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Department of Housing and Community Development funding to expand home-sharing opportunities throughout the State.

* * * Mobile Homes and Mobile Home Parks * * *

Sec. 32. MOBILE HOMES; MOBILE HOME PARKS; APPROPRIATION

(a) Creation. There is created the Mobile Home Task Force.

(b) Membership. The Task Force is composed of the following members:

(1) one current member of the House of Representatives, appointed by the Speaker of the House;

(2) one current member of the Senate, appointed by the Committee on Committees;

(3) one member, appointed by the Department of Housing and Community Development;

(4) one member, appointed by the Champlain Valley Office of Economic Opportunity;

(5) one member, appointed by The Housing Foundation Inc.;

(6) one member, appointed by the Speaker of the House, representing mobile home cooperative owners; and

(7) one member, appointed by the Vermont Housing and Conservation Board.

(c) Powers and duties. The Task Force shall study the current landscape for mobile homes and mobile home parks in this State, including the following issues:

(1) the status of mobile homes and mobile home parks within Vermont's housing portfolio;

(2) the condition and needs for mobile home park infrastructure among parks of various sizes;

(3) the current statutory treatment of mobile homes either as personal or real property;

(4) modern construction, energy efficiency, and durability of manufactured housing, and the availability, affordability, and suitability of alternative types of manufactured, modular, or other housing;

(5) the type and scope of data and information collected concerning mobile home residents, mobile homes, and mobile home parks and opportunities to make the data and information more centralized, accessible, and useful for informing policy decisions; and

(6) conversion to cooperative ownership and technical assistance available to prospective and new cooperative owners, including the availability of guidance concerning governance structures, operation, and conflict resolution.

(d) Assistance. For purposes of scheduling meetings and preparing a report and recommendations, the Task Force shall have the assistance of the Office of Legislative Operations, the Office of Legislative Counsel, and the Joint Fiscal Office.

(e) Report. On or before January 15, 2024, the Task Force shall submit a written report to the House Committee on General and Housing and the Senate

Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.

(f) Meetings.

(1) The House of Representatives' member shall call the first meeting of the Task Force to occur on or before September 1, 2023.

(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 Task Force shall cease to exist on January 15, 2024.

(g) Compensation and reimbursement.

(1) 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 six meetings.

(2) Other 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.

(3) Payments to members of the Task Force authorized under this subsection shall be made from monies appropriated to the General Assembly.

(h) In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Department of Housing and Community Development to provide financial support for home repair, home improvement, housing transition, park infrastructure, legal assistance, and technical assistance.

* * * Vermont Housing Finance Agency * * *

Sec. 33. 2022 Acts and Resolves No. 182, Sec. 2 is amended to read:

Sec. 2. FIRST-GENERATION HOMEBUYER; IMPLEMENTATION; APPROPRIATION

(a) Guidelines. The Vermont Housing Finance Agency shall adopt guidelines and procedures for the provision of grants to first-generation homebuyers pursuant to 32 V.S.A. § 5930u(b)(3)(D) consistent with the criteria of the Down Payment Assistance Program implemented pursuant to 32 V.S.A. § 5930u(b)(3) and with this section.

(b) As used in this section and 32 V.S.A. § 5930u(b)(3)(D), a "first-generation homebuyer" means ~~an applicant~~ a homebuyer who self-attests that the ~~applicant~~ homebuyer is an individual:

(1)~~(A)~~ whose parents or legal guardians:

(A) do not have and during the homebuyer's lifetime have not had any ~~present~~ residential ownership interest in any ~~State~~ state; ~~and~~ or

(B) ~~whose spouse, or domestic partner, and each member of whose household has not, during the three-year period ending upon acquisition of the eligible home to be acquired, had any present ownership interest in a principal residence in any State~~ lost ownership of a home due to foreclosure, short sale, or deed-in-lieu of foreclosure and have not owned a home since that loss; or

(2) ~~is an individual~~ who has at any time been placed in foster care.

* * *

Sec. 34. FIRST GENERATION HOMEBUYER; APPROPRIATION

In fiscal year 2024, it is the intent of the General Assembly to appropriate funds, if available, from the General Fund to the Vermont Housing Finance Agency for grants through the First Generation Homebuyer Program.

* * * Middle-Income Homeownership Development Program * * *

Sec. 35. REPEAL

2022 Acts and Resolves No. 182, Sec. 11 is repealed.

Sec. 36. MIDDLE-INCOME HOMEOWNERSHIP DEVELOPMENT PROGRAM

(a) The Vermont Housing Finance Agency shall establish a Middle-Income Homeownership Development Program pursuant to this section.

(b) As used in this section:

(1) "Affordable owner-occupied housing" means owner-occupied housing identified in 26 U.S.C. § 143(c)(1) or that qualifies under Vermont Housing Finance Agency criteria governing owner-occupied housing.

(2) "Income-eligible homebuyer" means a Vermont household with annual income that does not exceed 150 percent of area median income.

(c) The Agency shall use the funds appropriated in this section to provide subsidies for new construction or acquisition and substantial rehabilitation of affordable owner-occupied housing for purchase by income-eligible homebuyers.

(d) The total amount of subsidies for a project shall not exceed 35 percent of eligible development costs, as determined by the Agency, which the Agency may allocate consistent with the following:

(1) Developer subsidy. The Agency may provide a direct subsidy to the developer, which shall not exceed the difference between the cost of development and the market value of the home as completed.

(2) Affordability subsidy. Of any remaining amounts available for the project after the developer subsidy, the Agency may provide a subsidy for the benefit of the homebuyer to reduce the cost of purchasing the home, provided that:

(A) the Agency includes conditions in the subsidy, or uses another legal mechanism, to ensure that, to the extent the home value has risen, the amount of the subsidy remains with the home to offset the cost to future homebuyers; or

(B) the subsidy is subject to a housing subsidy covenant, as defined in 27 V.S.A. § 610, that preserves the affordability of the home for a period of 99 years or longer.

(3) The Agency shall allocate not less than 33 percent of the funds available through the Program to projects that include a housing subsidy covenant consistent with subdivision (2)(B) of this subsection.

(e) The Agency shall adopt a Program plan that establishes application and selection criteria, including:

(1) project location;

(2) geographic distribution;

(3) leveraging of other programs;

(4) housing market needs;

(5) project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan;

(6) construction standards, including considerations for size;

(7) priority for plans with deeper affordability and longer duration of affordability requirements;

(8) sponsor characteristics;

(9) energy efficiency of the development; and

(10) the historic nature of the project.

(f)(1) When implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

(B) an outreach and education plan, including specific tactics to reach and support eligible applicants, especially those from underserved regions or sectors;

(C) an equitable system for distributing investments statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

(3) The Agency shall use its best efforts to ensure:

(A) that investments awarded are targeted to the geographic communities or regions with the most pressing economic and employment needs; and

(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.

(g) The Agency may assign its rights under any investment or subsidy made under this section to the Vermont Housing and Conservation Board or any State agency or nonprofit organization qualifying under 26 U.S.C. § 501(c)(3), provided such assignee acknowledges and agrees to comply with the provisions of this section.

(h) The Department shall report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15.

Sec. 37. MIDDLE-INCOME HOMEOWNERSHIP; IMPLEMENTATION

The duty to implement Sec. 36 of this act is contingent upon an appropriation of funds in fiscal year 2024 from the General Fund to the Department of Housing and Community Development for a subgrant to the Vermont Housing Finance Agency for the Middle-Income Homeownership Development Program.

* * * Rental Housing Revolving Loan Program * * *

Sec. 38. RENTAL HOUSING REVOLVING LOAN PROGRAM

(a) Creation; administration. The Vermont Housing Finance Agency shall design and implement a Rental Housing Revolving Loan Program and shall create and administer a revolving loan fund to provide subsidized loans for rental housing developments that serve middle-income households.

(b) Loans; eligibility; criteria.

(1) The Agency shall adopt processes, procedures, and guidelines to implement the Program consistent with this section, including a simple application process that is accessible to small developers, builders, and contractors.

(2)(A) To be eligible for a subsidized loan through the Program, a project shall create two or more new rental housing units, which may include market rate and affordable units, provided that at least 25 percent of the units in the project are affordable to a household earning between 65 and 150 percent of the applicable area median income.

(B) Projects may include new construction, acquisition with substantial rehabilitation, and preservation of naturally occurring affordable housing.

(3) A loan is available only for the costs of the project allocable to the affordable units.

(4)(A) The Agency shall calculate the maximum amount of a loan, which shall not exceed the lesser of:

(i) 35 percent of the costs of the project allocable to the affordable units; or

(ii) the following amounts based on area median income bands:

(I) $150,000.00 per unit for each unit that is affordable to a household earning from 65 percent to 80 percent of area median income; and

(II) $100,000.00 per unit for each unit that is affordable to a household earning from 81 to 150 percent of area median income.

(B) The Agency shall adopt and implement a method to adjust the values specified in subdivision (A)(ii) of this subdivision (4) at least annually for inflation and may adopt a smoothing mechanism to adjust the maximum loan values within each band based on levels of affordability.

(5) The Agency shall determine the term and interest rate of a loan. The Agency may adopt one or more mechanisms to provide an enhanced subsidy to incentivize projects, including:

(A) a lower interest rate;

(B) an interest-only option with deferred principal repayment; and

(C) partial loan forgiveness.

(6) The Agency shall adopt a Program plan that allows for an enhanced subsidy for a project that meets one or more of the following:

(A) The project receives five percent or more of the total funding from an employer or employer-capitalized loan or grant.

(B) The project receives five percent or more of the total funding from a municipal or regional housing fund, local fiscal recovery fund, or other form of community investment.

(C) The project utilizes tax-exempt bond funding or federal low-income housing tax credits for at least 20 percent of the project's total units.

(D) The project is small in scale and provides infill development within a historic settlement pattern.

(7) The Agency shall use one or more legal mechanisms to ensure that:

(A) a subsidized unit remains affordable to a household earning the applicable percent of area median income for the longer of:

(i) seven years; or

(ii) full repayment of the loan plus three years; and

(B) during the affordability period determined pursuant to subdivision (A) of this subdivision (7), the annual increase in rent for a subsidized unit does not exceed three percent.

(c) Program design.

(1) When designing and implementing the Program, the Agency shall consult stakeholders and experts in the field.

(2) The Program shall include:

(A) a streamlined and appropriately scaled application process;

(B) an outreach and education plan, including specific tactics to reach and support eligible applicants, especially those from underserved regions or sectors;

(C) an equitable system for distributing investment statewide on the basis of need according to a system of priorities that includes consideration of:

(i) geographic distribution;

(ii) community size;

(iii) community economic need; and

(iv) whether an application has already received an investment or is from an applicant in a community that has already received Program funding.

(3) The Agency shall use its best efforts to ensure:

(A) that investments are targeted to the geographic communities or regions with the most pressing economic and employment needs; and

(B) that the allocation of investments provides equitable access to the benefits to all eligible geographical areas.

(d) Revolving funds. The Agency shall retain payments of principal, interest, and any fees in a revolving loan fund, the amounts of which it shall use to issue future loans through the Program.

(e) The Agency shall report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on the status of the Program annually, on or before January 15.

Sec. 39. RENTAL HOUSING REVOLVING LOAN PROGRAM; IMPLEMENTATION

The duty to implement Sec. 38 of this act is contingent upon an appropriation of funds in fiscal year 2024 from the General Fund to the Department of Housing and Community Development for a subgrant to the Vermont Housing Finance Agency for the Rental Housing Revolving Loan Program.

* * * Vermont Rental Housing Improvement Program * * *

Sec. 40. 10 V.S.A. § 699 is amended to read:

§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

(a) Creation of Program.

(1) The Department of Housing and Community Development shall design and implement the Vermont Rental Housing Improvement Program, through which the Department shall award funding to statewide or regional nonprofit housing organizations, or both, to provide competitive grants and

forgivable loans to private landlords for the rehabilitation, including weatherization and accessibility improvements, of eligible rental housing units.

(2) The Department shall develop statewide standards for the Program, including factors that partner organizations shall use to evaluate applications and award grants and forgivable loans.

(3) A landlord shall not offer a unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan agreement is in effect.

(b) Eligible rental housing units. The following units are eligible for a grant or forgivable loan through the Program:

(1) Non-code compliant.

(A) The unit is an existing unit, whether or not occupied, that does not comply with the requirements of applicable building, housing, or health laws.

(B) If the unit is occupied, the grant or forgivable loan agreement shall include terms:

(i) that prohibit permanent, involuntary displacement of the current residents;

(ii) that provide for the temporary relocation of the current residents if necessary to perform the rehabilitation; and

(iii) that ensure that the landlord complies with the affordability requirements of the Program following the rehabilitation.

(2) New ~~accessory dwelling~~ units. The unit will be:

(A) a newly created accessory dwelling unit that meets the requirements of 24 V.S.A. § 4412(1)(E);

(B) a newly created unit within an existing structure;

(C) a newly created residential structure that is a single unit; or

(D) a newly created unit within a newly created structure that contains five or fewer residential units.

(c) Administration. The Department shall require a housing organization that receives funding under the Program to adopt:

(1) a standard application form that describes the application process and includes instructions and examples to help landlords apply;

(2) an award process that ensures equitable selection of landlords, subject to a housing organization's exercise of discretion based on the factors adopted by the Department pursuant to subsection (a) of this section; and

(3) a grant and loan management system that ensures accountability for funds awarded.

(d) Program requirements applicable to grants and forgivable loans.

(1) A grant or loan shall not exceed $50,000.00 per unit. In determining the amount of a grant or loan, a housing organization shall consider the number of bedrooms in the unit and whether the unit is being rehabilitated or newly created.

(2) A landlord shall contribute matching funds or in-kind services that equal or exceed 20 percent of the value of the grant or loan.

(3) A project may include a weatherization component.

(4) A project shall comply with applicable building, housing, and health laws.

(5) The terms and conditions of a grant or loan agreement apply to the original recipient and to a successor in interest for the period the grant or loan agreement is in effect.

(6) The identity of a recipient and the amount of a grant or forgivable loan are public records that shall be available for public copying and inspection and the Department shall publish this information at least quarterly on its website.

(e) Program requirements applicable to grants. For a grant awarded ~~under subdivision (b)(1) of this section for a unit that is non-code compliant~~ through the Program, the following requirements apply for a minimum period of five years:

(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry organizations to identify potential tenants.

(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is exiting homelessness or actively working with an immigrant or refugee resettlement program.

(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household exiting homelessness is not available to lease the unit, then the landlord shall lease the unit:

(i) to a household with an income equal to or less than 80 percent of area median income; or

(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.

(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.

(B) A landlord who converts a grant to a forgivable loan shall receive a 10-percent credit for loan forgiveness for each year in which the landlord participates in the grant program.

(f) Requirements applicable to forgivable loans. For a forgivable loan awarded ~~under subdivision (b)(1) of this section for a unit that is non-code compliant~~ through the Program, the following requirements apply for a minimum period of 10 years:

(1)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.

(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.

(2) The Department shall forgive 10 percent of the amount of a forgivable loan for each year a landlord participates in the loan program.

(g) ~~Requirements for an accessory dwelling unit.~~

~~(1) For a grant or forgivable loan awarded under subdivision (b)(2) of this section for a unit that is a new accessory dwelling unit the total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.~~

~~(2) A landlord shall not offer an accessory dwelling unit created through the Program as a short-term rental, as defined in 18 V.S.A. § 4301.~~ [Repealed.]

(h) Lien priority. A lien for a grant converted to a loan or for a forgivable loan issued pursuant to this section is subordinate to:

(1) a lien on the property in existence at the time the lien for rehabilitation and weatherization of the rental housing unit is filed in the land records; and

(2) a first mortgage on the property that is refinanced and recorded after the lien for rehabilitation and weatherization of the rental housing unit is filed in the land records.

Sec. 41. VHIP; IMPLEMENTATION

In fiscal year 2024 it is the intent of the General Assembly to appropriate funding, if available, from the General Fund to the Department of Housing and Community Development for the Vermont Rental Housing Improvement Program.

Sec. 42. VERMONT HOUSING AND CONSERVATION BOARD; APPROPRIATION OF AVAILABLE FUNDING

In fiscal year 2024, it is the intent of the General Assembly to appropriate additional funding, if available, from the General Fund to the Vermont Housing and Conservation Board to provide affordable mixed-income income rental housing and homeownership units; improvements to manufactured homes and communities; recovery residences; and, if determined eligible, housing available to farm workers and refugees. VHCB shall also use the funds for shelter and permanent homes for those experiencing homelessness in consultation with the Secretary of Human Services.

* * * Housing Stabilization * * *

Sec. 43. RENTAL HOUSING STABILIZATION SERVICES

(a) Creation; purpose. The Champlain Valley Office of Economic Opportunity shall create and administer a Rental Housing Stabilization Services Program to provide tenants and landlords with access to services and programs that assist in preserving a tenancy and avoid eviction, including eligibility screening, direct referral, and follow-up services.

(b) Eligibility. A tenant or landlord is eligible to contact the Office at any time prior to the filing of a summons and complaint for eviction or through court referral.

(c) Screening. The Office shall employ resource specialists who shall assess landlords and tenants for availability and eligibility for statewide or local assistance, including:

(1) repair funds;

(2) the Rent Arrears Assistance Fund established;

(3) Housing Opportunity Grant Program funds;

(4) the Vermont Housing Improvement Program;

(5) existing State or federally funded project- or tenant-based subsidies;

(6) existing Economic Service Division programs;

(7) legal counsel at Vermont Legal Aid or Legal Services Vermont for tenants and through the Vermont Lawyer Referral Service for tenants or landlords;

(8) voluntary mediation;

(9) housing education and skills-building programs; and

(10) other available housing resources as needed.

(d) Referral. The Office shall:

(1) assist callers in contacting organizations operating programs or available resources for which the caller may be eligible; and

(2) provide support and follow-up services and work with partner organizations to ensure effective participation in identified programs and services.

(e) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Office of Economic Opportunity within the Department for Children and Families for a subgrant to Champlain Valley Office of Economic Opportunity to administer the Rental Housing Stabilization Services Program pursuant to this section.

Sec. 44. TENANT REPRESENTATION PILOT PROGRAM

(a) Creation; purpose. Vermont Legal Aid shall create and administer a two-year Tenant Representation Pilot Program:

(1) to provide full representation to eligible and consenting tenants in Lamoille and Windsor counties who have been served with a summons and complaint for eviction; and

(2) to determine the impact of representation on the issuance of writs of possession and homelessness prevention.

(b) Tenant eligibility. Vermont Legal Aid may enter a notice of appearance on behalf of a residential tenant in Lamoille or Windsor County who is served

with a summons and complaint in an ejectment action, consents to the representation, and meets the following criteria:

(1) household income equals or is less than 120 percent of State area median income;

(2) the cost of rent equals or exceeds 30 percent of household income; or

(3) household expenses exceed income.

(c) Scope of representation.

(1) Full representation through the Program is limited to eviction.

(2) The pursuit of counterclaims shall be at the discretion of appointed counsel.

(d) Conflicts of interest.

(1) Vermont Legal Aid may subcontract to Legal Services Vermont if it is unable to provide tenant representation due to a conflict of interest as defined by the Vermont Rules of Professional Conduct.

(2) If Legal Services Vermont also has a conflict of interest, Vermont Legal Aid may subcontract to one or more private counsels who are members in good standing of the Vermont Bar.

(e) Report. Vermont Legal Aid shall provide interim reports on the progress of the Program on or before November 15, 2023 and November 15, 2024 and a final report on or before July 30, 2025, which shall describe:

(1) the number of tenants represented;

(2) case outcomes, including:

(A) the number of cases fully or partially resolved through access to the Rent Arrears Assistance Fund;

(B) the number of cases fully or partially resolved through the Vermont Landlord's Association mediation program; and

(C) the number of cases fully or partially resolved through access to another resource identified through the Rental Housing Stabilization Services Program; and

(3) recommendations for policy changes and for pilot expansion.

(f) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Agency of Human Services for a subgrant to Vermont Legal Aid to provide representation

in eligible eviction cases in the two pilot counties of Lamoille and Windsor beginning on July 1, 2023.

Sec. 45. RENT ARREARS ASSISTANCE FUND

(a) Creation; purpose. The Vermont State Housing Authority shall create and administer a Rent Arrears Assistance Fund to provide funds to prevent eviction in cases involving nonpayment of rent from residential rental units subject to 9 V.S.A. chapter 137 and mobile home lot rentals subject to 10 V.S.A. chapter 153.

(b) Tenant eligibility. The Vermont State Housing Authority shall establish eligibility guidelines for the Fund that ensure a streamlined application process, including certification of past due rent and that tenants are at risk of eviction, which shall address the following:

(1) Eligibility. Financial eligibility criteria that consider area median income, rent burden, and ratio of household expenses to income up to 100 percent of area median income for the current federal fiscal year.

(2) Sustainability. Standards for assessing whether the tenancy is sustainable while retaining a simple and straightforward application.

(3) Referral. If the tenancy is not sustainable, the parties shall be referred to the Rental Housing Stabilization Services Program for assistance in exploring other resources or services and to apply for a housing choice voucher.

(c) Funds available.

(1) The Fund shall disburse only the amount necessary to cure the tenant's rent arrears, and, if necessary, court costs, and attorney's fees capped at an amount set by the Authority.

(2) The Fund is available on a first-come, first-served basis to eligible tenants until the Fund is exhausted.

(d) Application.

(1) The Authority shall create a plain language form to collect only information necessary to assess eligibility and provide clear instructions to help tenants and landlords apply.

(2) The tenant shall certify all information on the application.

(3) The Authority shall provide assistance in completing the application, either directly or through referral to Vermont Legal Aid.

(4) The Authority shall adopt guidelines and implement a process that ensures:

(A) equitable and prompt approval of applications;

(B) notice of grant decisions within 10 days; and

(C) decisions on appeals within 10 days.

(e) Status of eviction pending application.

(1) If an eviction case is filed, the tenant or the landlord shall notify the court when an application for Fund assistance is pending.

(2) Upon receiving notice that an application for Fund assistance is pending, the court shall set a status conference within 30 days.

(3) While the application is pending, the landlord shall not issue a new notice to quit or file or serve a new summons and complaint.

(f) Disbursement. The Authority shall disburse amounts from the Fund directly to the landlord.

(g) Conditions for disbursement of funds. The Authority shall establish guidelines for ensuring habitability, limitation on rent increases, documentation for direct deposit, and dismissal of cases, including the following:

(1) Habitability. The Authority shall adopt guidelines for identifying violations of the Rental Housing Health Code and certifying that necessary repairs to remediate the violations will be completed within 30 days or pursuant to a plan developed for the remediation and approved by the Authority.

(2) Documentation for direct deposit. The landlord shall provide the Authority, on a form provided by the Authority, necessary banking information to enable direct deposit of monies from the Fund.

(3) Dismissal. The Authority shall adopt guidelines for disbursement to ensure that complaints based on nonpayment of rent and complaints for no cause are dismissed, whether there is a single or multiple pending complaints.

(4) Notification form.

(A) The Authority shall adopt and provide to landlords and tenants a standardized notification form that shows amounts paid for each category of disbursement and date of payment.

(B) The form shall allow the landlord or tenant to easily notify the court and request a dismissal due to payment.

(C) The form shall outline any certifications established in Authority guidance that both parties have made as a part of their application, along with the date of those certifications.

(h) Implementation. The duty to implement this section is contingent upon an appropriation in fiscal year 2024 from the General Fund to the Vermont State Housing Authority to create and administer the Rent Arrears Assistance Fund pursuant to this section.

* * * Lead Inspectors; Financial Responsibility * * *

Sec. 46. 18 V.S.A. § 1764 is amended to read:

§ 1764. LEAD INSPECTORS; FINANCIAL RESPONSIBILITY

(a) The Commissioner shall require that a licensee or an applicant for a license under subsection 1752(e) of this chapter provide evidence of ability to indemnify properly a person who suffers damage from lead-based paint activities or RRPM activities such as proof of effective liability insurance coverage or a surety bond in an amount to be determined by the Commissioner, which shall not be less than $300,000.00. This section shall not restrict or enlarge the liability of any person under any applicable law.

(b) Owners of rental target housing who personally perform all work under this chapter on properties in which they have an interest shall be exempt from subsection (a) of this section.

* * * Effective Dates * * *

Sec. 47. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that:

(1) Secs. 1 (24 V.S.A. § 4414) and 2 (24 V.S.A. § 4412) shall take effect on December 1, 2024, except for subdivision (1)(D) of Sec. 2, which shall take effect on July 1, 2023.

(2) Sec. 3 (24 V.S.A. § 4413) shall take effect on September 1, 2023.

(3) Sec. 46 (lead inspectors) shall take effect on passage.

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

Senate Bill Recommitted

S. 133.

Senate Committee bill entitled:

An act relating to miscellaneous changes to education law.

Was taken up.

Thereupon, on motion of Senator Campion, the bill was recommitted to the Committee on Education.

Rules Suspended; Proposal of Amendment; Bill Passed in Concurrence with Proposal of Amendment

H. 517.

Pending entry on on the Calendar for notice, on motion of Senator Clarkson, the rules were suspended and House bill entitled:

An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1.

Was taken up for immediate consideration.

Senator Watson, for the Committee on Government Operations, to which the bill was referred, reported recommending that the Senate propose to the House to amend the bill by adding a new section to be numbered Sec. 1a to read as follows:

Sec. 1a. 24 V.S.A. § 363 is amended to read:

§ 363. DEPUTY STATE'S ATTORNEYS

(a) A State's Attorney may appoint as many deputy State's Attorneys as necessary for the proper and efficient performance of ~~his or her~~ the State's Attorney's office and may remove them at pleasure. The Executive Committee of the Department of State's Attorneys and Sheriffs may authorize or direct the Department's Executive Director to appoint deputy State's Attorneys who shall have all of the same powers and duties of any other deputy State's Attorney except that such deputies may prosecute cases in any county of the State. The Executive Committee shall have the authority to limit the term and scope of any such appointments and may remove such deputies at the Committee's pleasure.

(b) The pay for deputy State's Attorneys shall be fixed by the Executive Director of the Department of State's Attorneys and Sheriffs or through collective bargaining pursuant to 3 V.S.A. chapter 27, but it shall not exceed the pay of the State's Attorney making the appointment or other appointing authority. Deputy State's Attorneys shall be compensated only for periods of actual performance of the duties of the office. Deputy State's Attorneys shall be reimbursed for their necessary expenses incurred in connection with their official duties when approved by the State's Attorneys and the Commissioner of Finance and Management.

(c) Deputy State's Attorneys shall exercise all the powers and duties of the State's Attorneys except the power to designate someone to act in the event of their own disqualification.

(d) Deputy State's Attorneys may not enter upon the duties of the office until they have taken the oath or affirmation of allegiance to the State and the oath of office required by the Constitution, and until the oath together with their appointment is filed for record with the county clerk. If appointed and under oath, a deputy State's Attorney appointed by a State's attorney may prosecute cases in another county if the State's Attorney in the other county files the deputy's appointment in the other county clerk's office. In case of a vacancy in the office of State's Attorney, the appointment of the deputy, except for a deputy appointed by the Executive Committee or Executive Director, shall expire upon the appointment of a new State's Attorney.

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

The President Resumes the Chair

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

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

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

Rules Suspended; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

S.14, S.100, H.517.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, 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:

Peterson, Eric of South Burlington - Member of the Community High School of Vermont Board - September 15, 2022 to February 28, 2025.

Lenes, Joan of Shelburne - Member of the Community High School of Vermont Board - December 12, 2022 to February 29, 2024.

Recicar, Stuart of Colchester - Member of the Community High School of Vermont Board - December 12, 2022 to February 28, 2025.

Cioffi, Frank of St. Albans - Trustee of the University of VT and Agricultural College Board of Trustees - March 1, 2023 to February 28, 2029.

Brand, Julia of Dorset - Member of the Children and Family Council for Prevention Programs - March 1, 2023 to January 28, 2026.

Coddaire, David of Morrisville - Member of the Board of Medical Practice - February 15, 2023 to December 31, 2023.

Marvin, David of Hyde Park - Member of the Vermont Economic Development Authority - September 21, 2022 to February 29, 2028.

Baser, Fred of Bristol - Member of the Vermont Housing Finance Agency - July 26, 2022 to February 28, 2026.

Milord-Ajanma, Marie of Waterbury - Member of the Vermont Housing Finance Agency - July 26, 2022 to February 28, 2026.

Leavitt, Thomas of Waterbury - Member of the Vermont Housing Finance Agency - August 26, 2022 to February 29, 2024.

Mackenzie, Mary Alice of Colchester - Member of the Vermont Municipal Bond Bank - February 1, 2023 to January 31, 2025.

Morrissey, Jeanne of Richmond - Member of the Vermont Housing Finance Agency - July 26, 2022 to February 28, 2025.

Foley, Mark of Rutland - Member of the Vermont Municipal Bond Bank - April 20, 2022 to January 31, 2024.

Buckley, Katie of South Burlington - Commissioner, Vermont Housing Finance Agency - February 1, 2023 to February 28, 2027.

Coates, David of Colchester - Member of the Vermont Municipal Bond Bank - February 1, 2023 to January 31, 2025.

Ogorzalek, Ed of Rutland - Member of the Vermont Educational and Health Buildings Financing Agency - April 20, 2022 to January 31, 2026.

Bullock, Fred of Bellows Falls - Member of the State Infrastructure Bank Board - August 29, 2022 to February 28, 2026.

Bourgeois, Anita of Middlesex - Member of the Vermont Educational and Health Buildings Financing Agency - April 20, 2022 to January 31, 2027.

Gibbons, Kenneth of Hyde Park - Member of the Vermont Educational and Health Buildings Financing Agency - July 1, 2022 to February 29, 2028.

Elwell, Peter of Brattleboro - Member of the Vermont Economic Development Authority - September 21, 2022 to February 28, 2025.

Winters, Debbie of Swanton - Member of the Vermont Municipal Bond Bank - April 20, 2022 to January 31, 2024.

Gallagher, Thomas of St. Albans - Member of the Vermont Economic Development Authority - July 1, 2022 to February 29, 2028.

Bourgeois, Kiersten of Swanton - Member of the Vermont Economic Development Authority - September 21, 2022 to February 29, 2028.

Richardson, Thad of Lyndon - Member of the Vermont Economic Progress Council - April 3, 203 to March 31, 2023.

Sullivan, Linda Joy of Dorset - Member of the Vermont State Housing Authority - December 12, 2022 to February 28, 2027.

Phelps, Michelle of Georgia - Member of the State Labor Relations Board - January 12, 2023 to June 30, 2025.

Manahan, Martin of St. Albans - Member of the Board of Liquor and Lottery - March 1, 2023 to January 31, 2026.

Nesbit, Tom of Waterbury Center - Member of the Plumbers' Examining Board - October 10, 2022 to June 30, 2025.

Lauzon, Thom of Barre - Member of the Board of Liquor and Lottery - March 1, 2023 to January 31, 2026.

Appointment Confirmed

The following Gubernatorial appointment was confirmed by the Senate, upon full report given by the Committee to which it was referred:

The nomination of

Bernstein, Matthew of Winooski - Child, Youth, and Family Advocate, Office of the Child, Youth, and Family Advocate - February 27, 2023 to February 28, 2027.

Was confirmed by the Senate on a roll call, Yeas 30, 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: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Recess

On motion of Senator Baruth the Senate recessed until three o'clock and thirty minutes.

Called to Order

The Senate was called to order by the President.

Message from the House No. 66

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

Mr. President:

I am directed to inform the Senate that:

Pursuant to the request of the Senate for a Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 6. An act relating to law enforcement interrogation policies.

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

Rep. LaLonde of South Burlington
Rep. Chapin of East Montpelier
Rep. Christie of Hartford.

The House has considered the report of the Committee of Conference upon the disagreeing votes of the two Houses on Senate bill of the following title:

S. 6. An act relating to law enforcement interrogation policies.

And has adopted the same on its part.

Rules Suspended; Report of Committee of Conference Accepted and Adopted on the Part of the Senate

S. 6.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the report of the Committee of Conference on Senate bill entitled:

An act relating to law enforcement interrogation policies.

Was taken up for immediate consideration.

Senator Sears, 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 Senate Bill entitled:

S. 6. An act relating to law enforcement interrogation policies.

Respectfully reports that it has met and considered the same and recommends that the House 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. 1. LEGISLATIVE INTENT; JUVENILE INTERROGATION; LAW ENFORCEMENT INTERROGATION POLICIES

It is the intent of the General Assembly to prevent false confessions and wrongful convictions of individuals subject to law enforcement interrogation and to improve trust between Vermont's communities and law enforcement. To achieve these objectives, it is the further intent of the General Assembly to create a minimum set of law enforcement interrogation standards that incorporate evidence-based best practices by:

(1) prohibiting law enforcement's use of threats, physical harm, and deception during custodial interrogations of persons under 22 years of age; and

(2) mandating that the Vermont Criminal Justice Council develop, adopt, and enforce a statewide model interrogation policy that applies to all Vermont law enforcement agencies and constables exercising law enforcement authority pursuant to 24 V.S.A. § 1936.

Sec. 2. 13 V.S.A. § 5585 is amended to read:

§ 5585. ~~ELECTRONIC RECORDING OF A CUSTODIAL INTERROGATION~~ DEFINITIONS

~~(a)~~ As used in this ~~section~~ subchapter:

(1) "Custodial interrogation" means any interrogation:

(A) involving questioning by a law enforcement officer that is reasonably likely to elicit an incriminating response from the subject; and

(B) in which a reasonable person in the subject's position would consider the person to be in custody, starting from the moment a person should have been advised of the person's Miranda rights and ending when the questioning has concluded.

(2) "Deception" includes the knowing communication of false facts about evidence, the knowing misrepresentation of the accuracy of the facts, the knowing misrepresentation of the law, or the knowing communication of unauthorized statements regarding leniency.

~~(2)~~(3) "Electronic recording" or "electronically recorded" means an audio and visual recording that is an authentic, accurate, unaltered record of a custodial interrogation, or if law enforcement does not have the current capacity to create a visual recording, an audio recording of the interrogation.

(4) "Law enforcement officer" has the same meaning as in 20 V.S.A. § 2351a.

(5) "Government agent" means:

(A) a school resource or safety officer; or

(B) an individual acting at the request or direction of a school resource or safety officer or a law enforcement officer.

~~(3)~~(6) "Place of detention" means a building or a police station that is a place of operation for the State police, a municipal police department, county sheriff department, or other law enforcement agency that is owned or operated by a law enforcement agency at which persons are or may be questioned in connection with criminal offenses or detained temporarily in connection with criminal charges pending a potential arrest or citation.

~~(4)~~(7) "Statement" means an oral, written, sign language, or nonverbal communication.

~~(b)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety. Unless impracticable, a custodial interrogation occurring outside a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety.~~

~~(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.~~

~~(c)(1) The following are exceptions to the recording requirement in subsection (b) of this section:~~

~~(A) exigent circumstances;~~

~~(B) a person's refusal to be electronically recorded;~~

~~(C) interrogations conducted by other jurisdictions;~~

~~(D) a reasonable belief that the person being interrogated did not commit a felony or misdemeanor violation of this title and, therefore, an electronic recording of the interrogation was not required;~~

~~(E) the safety of a person or protection of the person's identity; and~~

~~(F) equipment malfunction.~~

~~(2) If law enforcement does not make an electronic recording of a custodial interrogation as required by this section, the prosecution shall prove by a preponderance of the evidence that one of the exceptions identified in subdivision (1) of this subsection applies. If the prosecution does not meet the burden of proof, the evidence is still admissible, but the court shall provide cautionary instructions to the jury regarding the failure to record the interrogation.~~

Sec. 3. 13 V.S.A. § 5586 is added to read:

§ 5586. ELECTRONIC RECORDING OF A CUSTODIAL INTERROGATION

(a)(1) A custodial interrogation that occurs in a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety. Unless impracticable, a custodial interrogation occurring outside a place of detention concerning the investigation of a felony or misdemeanor violation of this title shall be electronically recorded in its entirety.

(2) In consideration of best practices, law enforcement shall strive to record simultaneously both the interrogator and the person being interrogated.

(b)(1) The following are exceptions to the recording requirement in subsection (a) of this section:

(A) exigent circumstances;

(B) a person's refusal to be electronically recorded;

(C) interrogations conducted by other jurisdictions;

(D) a reasonable belief that the person being interrogated did not commit a felony or misdemeanor violation of this title and, therefore, an electronic recording of the interrogation was not required;

(E) the safety of a person or protection of the person's identity; and

(F) equipment malfunction.

(2) If law enforcement does not make an electronic recording of a custodial interrogation as required by this section, the prosecution shall prove by a preponderance of the evidence that one of the exceptions identified in subdivision (1) of this subsection applies. If the prosecution does not meet the burden of proof, the evidence is still admissible, but the court shall provide cautionary instructions to the jury regarding the failure to record the interrogation.

Sec. 4. 13 V.S.A. § 5587 is added to read:

§ 5587. JUVENILES

(a) During a custodial interrogation of a person under 22 years of age relating to the commission of a criminal offense or delinquent act, a law enforcement officer or government agent shall not employ threats, physical harm, or deception.

(b)(1) Any admission, confession, or statement, whether written or oral, made by a person under 22 years of age and obtained in violation of subsection (a) of this section shall be presumed to be involuntary and inadmissible in any proceeding.

(2) The presumption that any such admission, confession, or statement is involuntary and inadmissible may be overcome if the State proves by clear and convincing evidence that the admission, confession, or statement was:

(A) voluntary and not induced by a law enforcement officer's or government agent's use of threats, physical harm, or deception prohibited by subsection (a) of this section; and

(B) any actions of a law enforcement officer or government agent in violation of subsection (a) of this section did not undermine the reliability of the person's admission, confession, or statement and did not create a substantial risk that the person might falsely incriminate themselves.

Sec. 5. VERMONT CRIMINAL JUSTICE COUNCIL; MODEL INTERROGATION POLICY

(a) Intent. It is the intent of the General Assembly that the Vermont Criminal Justice Council create a model interrogation policy that is grounded

in evidence-based best practices to limit and eventually eliminate the use of deception in law enforcement interrogations.

(b) Policy development. On or before January 1, 2024, the Vermont Criminal Justice Council, in consultation with the Office of the Attorney General and stakeholders, including the Agency of Human Services, the Vermont League of Cities and Towns, the Vermont Human Rights Commission, and the Innocence Project, shall establish one cohesive evidence-based model interrogation policy for law enforcement agencies and constables to adopt, follow, and enforce as part of the agency's or constable's own interrogation policy.

(c) Policy contents. The evidence-based model interrogation policy created pursuant to this section shall apply to all persons subject to various forms of interrogation, including the following:

(1) custodial interrogations occurring in a place of detention;

(2) custodial interrogations occurring outside a place of detention;

(3) interrogations that are not considered custodial, regardless of location; and

(4) the interrogation of individuals with developmental, intellectual, and psychiatric disabilities; substance use disorders; and low literacy levels.

Sec. 6. 20 V.S.A. § 2359 is amended to read:

§ 2359. COUNCIL SERVICES CONTINGENT ON AGENCY COMPLIANCE; GRANT ELIGIBILITY

(a) On and after January 1, 2022, a law enforcement agency shall be prohibited from having its law enforcement applicants or officers trained by the Police Academy or from otherwise using the services of the Council if the agency is not in compliance with the requirements for collecting roadside stop data under section 2366 of this chapter, the requirement to report to the Office of Attorney General death or serious bodily injuries under 18 V.S.A. § 7257a(b), or the requirement to adopt, follow, ~~or~~ and enforce any policy required under this chapter.

(b) On and after April 1, 2024, a law enforcement agency shall be prohibited from receiving grants, or other forms of financial assistance, if the agency is not in compliance with the requirement to adopt, follow, and enforce the model interrogation policy established by the Council pursuant to section 2371 of this title.

(c) The Council shall adopt procedures to enforce the requirements of this section, which may allow for waivers for agencies under a plan to obtain

compliance with this section.

Sec. 7. 20 V.S.A. § 2371 is added to read:

§ 2371. STATEWIDE POLICY; INTERROGATION METHODS

(a) As used in this section:

(1) "Custodial interrogation" has the same meaning as in 13 V.S.A. § 5585.

(2) "Place of detention" has the same meaning as in 13 V.S.A. § 5585.

(b) The Council shall establish a model interrogation policy that applies to all persons subject to various forms of interrogation, including the following:

(1) custodial interrogations occurring in a place of detention;

(2) custodial interrogations occurring outside a place of detention;

(3) interrogations that are not considered custodial, regardless of location; and

(4) the interrogation of individuals with developmental, intellectual, and psychiatric disabilities; substance use disorders; and low literacy levels.

(c)(1) On or before April 1, 2024, each law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title shall adopt, follow, and enforce an interrogation policy that includes each component of the model interrogation policy established by the Council, and each law enforcement officer or constable who exercises law enforcement authority shall comply with the provisions of the agency's or constable's policy.

(2) On or before October 1, 2024, and every even-numbered year thereafter, the Vermont Criminal Justice Council, in consultation with others, including the Office of the Attorney General, the Agency of Human Services, and the Human Rights Commission, shall review and, if necessary, update the model interrogation policy.

(d) To encourage fair and consistent interrogation methods statewide, the Vermont Criminal Justice Council, in consultation with the Office of the Attorney General, shall review the policies of law enforcement agencies and constables required to adopt a policy pursuant to subsection (c) of this section, to ensure that those policies establish each component of the model policy on or before April 15, 2024. If the Council finds that a policy does not meet each component of the model policy, it shall work with the law enforcement agency

or constable to bring the policy into compliance. If, after consultation with its attorney or with the Council, or with both, the law enforcement agency or constable fails to adopt a policy that meets each component of the model policy, that agency or constable shall be deemed to have adopted, and shall follow and enforce, the model policy established by the Council.

(e) The Council shall incorporate the provisions of this section into the training it provides.

(f) Annually, as part of their annual training report to the Council, every law enforcement agency and every constable who exercises law enforcement authority pursuant to 24 V.S.A. § 1936a and who is trained in compliance with section 2358 of this title shall report to the Council whether the agency or constable has adopted an interrogation policy in accordance with subsections (c) and (d) of this section. The Vermont Criminal Justice Council shall determine, as part of the Council's annual certification of training requirements, whether current officers have received training on interrogation methods as required by subsection (e) of this section.

(g) Annually, on or before July 1, the Vermont Criminal Justice Council shall report to the House and Senate Committees on Judiciary regarding which law enforcement agencies and officers have received training on interrogation methods.

Sec. 8. VERMONT CRIMINAL JUSTICE COUNCIL; POSITION; APPROPRIATION

(a) On July 1, 2023, a new, permanent, classified Director of Policy position is created in the Vermont Criminal Justice Council. In addition to any other duties deemed appropriate by the Council, the Director of Policy shall supervise the development, oversight, and compliance work related to the Council's internal, external, and State-mandated policies.

(b) The position of Director of Policy established in subsection (a) of this section shall be subject to a General Fund appropriation in FY 2024.

Sec. 9. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that Secs. 4 (juveniles), 5 (Council services contingent on Agency compliance; grant eligibility) and 6 (statewide policy; interrogation methods) shall take effect on April 1, 2024.

RICHARD W. SEARS
NADER A. HASHIM
ROBERT W. NORRIS

Committee on the part of the Senate

MARTIN J. LALONDE
ELA CHAPIN
KEVIN B. CHRISTIE

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.

Recess

On motion of Senator Baruth the Senate recessed until four o'clock and thirty minutes.

Called to Order

The Senate was called to order by the President.

Senate Concurrent Resolution Adopted

Senate concurrent resolution of the following title was offered, read and adopted, and is as follows:

By Committee on Appropriations,

S.C.R. 7. Senate concurrent resolution honoring Stephanie Barrett for more than a quarter-century of public service excellence as a member of the Joint Fiscal Office staff.

Whereas, Stephanie Barrett is known to legislators and staff as a cheerful, helpful, and, most importantly, knowledgeable member of the Joint Fiscal Office staff, and

Whereas, the expert assistance she has provided to the Senate Appropriations Committee and to the entire Senate with respect to the annual Budget Adjustment Act and Big Bill has been essential in the development and, ultimately, the approval of these essential legislative enactments, and

Whereas, with the utmost professionalism, she has responded to informational inquiries, explained the most obscure details and technicalities, and patiently drafted language for the committees and, subsequently, the entire Senate, and

Whereas, Stephanie Barrett was raised in Braintree and journeyed south to Boston College for her education, and

Whereas, in the summer of 1998, after working in several interim legislative staff positions, she became a full-time fiscal analyst, and her superb work resulted in an eventual promotion to the rank of associate fiscal officer, and

Whereas, while employed at the Joint Fiscal Office, Stephanie Barrett simultaneously earned a master's degree in business administration at the University of Vermont, and

Whereas, her colleagues at fiscal offices in other state legislatures and at the National Conference of State Legislatures (NCSL) recognized Stephanie's strong leadership potential, and she served admirably as the president of the National Association of Legislative Fiscal Officers (NALFO), one of NCSL's nine professional staff associations, and on the board and executive committee of NCSL, roles that carry great responsibilities, and

Whereas, Stephanie Barrett is embarking on a new role for which she is eminently qualified, that of chief fiscal officer at the Department of Vermont Health Access, and she will be sorely missed at the General Assembly, *now therefore be it*

Resolved by the Senate and House of Representatives:

That the General Assembly honors Stephanie Barrett for more than a quarter-century of public service excellence as a legislative fiscal analyst and wishes her every success in her new position, *and be it further*

Resolved: That the Secretary of State be directed to send a copy of this resolution to Stephanie Barrett.

Rules Suspended

On motion of Senator Kitchel, the rules were suspended and members were permitted to remove their jackets.

Report of Committee of Conference Accepted and Adopted on the Part of the Senate

H. 494.

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:

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:

* * * Purpose, Definitions, Legend * * *

Sec. A.100 SHORT TITLE

(a) This bill may be referred to as the BIG BILL – Fiscal Year 2024 Appropriations Act.

Sec. A.101 PURPOSE

(a) The purpose of this act is to provide appropriations for the operations of State government and for capital appropriations not funded with bond proceeds during fiscal year 2024. 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 on or prior to June 30, 2023. Agency and department heads are directed to implement staffing and service levels at the beginning of fiscal year 2024 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 the operation of State government and for capital appropriations not funded with bond proceeds during fiscal year 2024.

(b) The sums stated in this act 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, 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, 2024.

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.

(5) "Capital appropriation" means an appropriation for tangible capital investments or expenses that are eligible to be funded from general obligation debt financing and are allowed under federal laws governing the use of State bond proceeds as described in 32 V.S.A. § 309.

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 2024, 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 designated as federal in this act. 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 2024, federal funds available to the State of Vermont and designated as federal in this and other acts of the 2023 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 provision of law to the contrary, the total number of authorized State positions, both classified and exempt, excluding temporary positions as defined in 3 V.S.A. § 311(a)(11), shall not be increased during fiscal year 2024 except for new positions authorized by the 2023 session. Limited service positions approved pursuant to 32 V.S.A. chapter 5 shall not be subject to this restriction.

Sec. A.108 LEGEND

(a) This act 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:

B.100–B.199 and E.100–E.199	General Government
B.200–B.299 and E.200–E.299	Protection to Persons and Property
B.300–B.399 and E.300–E.399	Human Services
B.400–B.499 and E.400–E.499	Labor
B.500–B.599 and E.500–E.599	General Education
B.600–B.699 and E.600–E.699	Higher Education
B.700–B.799 and E.700–E.799	Natural Resources
B.800–B.899 and E.800–E.899	Commerce and Community Development
B.900–B.999 and E.900–E.999	Transportation
B.1000–B.1099 and E.1000–E.1099	Debt Service
B.1100–B.1199 and E.1100–E.1199	One-time and other appropriation actions

(b) The C sections contain any amendments to the current fiscal year; the D sections contain fund transfers, reversions, and reserve allocations for the

upcoming budget year; the F sections contain workforce and economic development policies; the G sections contain changes to Department of Motor Vehicles fees; and the H section contains effective dates.

* * * Fiscal Year 2024 Base Appropriations * * *

Sec. B.100 Secretary of administration - secretary's office

Personal services	2,843,097
Operating expenses	160,849
Grants	100,000
Total	3,103,946
Source of funds	
General fund	2,359,270
Special funds	100,000
Internal service funds	403,239
Interdepartmental transfers	241,437
Total	3,103,946

Sec. B.101 Secretary of administration - finance

Personal services	1,374,393
Operating expenses	138,363
Total	1,512,756
Source of funds	
Interdepartmental transfers	1,512,756
Total	1,512,756

Sec. B.102 Secretary of administration - workers' compensation insurance

Personal services	895,051
Operating expenses	91,550
Total	986,601
Source of funds	
Internal service funds	986,601
Total	986,601

Sec. B.103 Secretary of administration - general liability insurance

Personal services	545,717
Operating expenses	63,558
Total	609,275
Source of funds	
Internal service funds	609,275
Total	609,275

Sec. B.104 Secretary of administration - all other insurance

Personal services	196,464
Operating expenses	54,633
Total	251,097
Source of funds	
Internal service funds	251,097
Total	251,097

Sec. B.104.1 Retired State Employees Pension Plus Funding

Grants	9,000,000
Total	9,000,000
Source of funds	
General fund	9,000,000
Total	9,000,000

Sec. B.105 Agency of digital services - communications and information technology

Personal services	102,479,935
Operating expenses	36,148,517
Total	138,628,452
Source of funds	
General fund	186,726
Special funds	471,611
Internal service funds	137,970,115
Total	138,628,452

Sec. B.106 Finance and management - budget and management

Personal services	1,456,438
Operating expenses	306,717
Total	1,763,155
Source of funds	
General fund	1,143,286
Internal service funds	619,869
Total	1,763,155

Sec. B.107 Finance and management - financial operations

Personal services	2,555,838
Operating expenses	810,848
Total	3,366,686

Source of funds	
Internal service funds	3,366,686
Total	3,366,686

Sec. B.108 Human resources - operations

Personal services	10,175,933
Operating expenses	1,483,759
Total	11,659,692
Source of funds	
General fund	1,777,169
Special funds	263,589
Internal service funds	9,127,114
Interdepartmental transfers	491,820
Total	11,659,692

Sec. B.108.1 Human resources - VTHR operations

Personal services	1,909,749
Operating expenses	693,001
Total	2,602,750
Source of funds	
Internal service funds	2,602,750
Total	2,602,750

Sec. B.109 Human resources - employee benefits & wellness

Personal services	1,140,195
Operating expenses	655,062
Total	1,795,257
Source of funds	
Internal service funds	1,795,257
Total	1,795,257

Sec. B.110 Libraries

Personal services	2,404,179
Operating expenses	906,958
Grants	230,214
Total	3,541,351
Source of funds	
General fund	2,088,614
Special funds	73,614
Federal funds	1,251,244
Interdepartmental transfers	127,879
Total	3,541,351

Sec. B.111 Tax - administration/collection

Personal services	25,023,254
Operating expenses	5,787,491
Total	30,810,745
Source of funds	
General fund	22,406,475
Special funds	8,359,270
Interdepartmental transfers	45,000
Total	30,810,745

Sec. B.112 Buildings and general services - administration

Personal services	988,938
Operating expenses	333,561
Total	1,322,499
Source of funds	
Interdepartmental transfers	1,322,499
Total	1,322,499

Sec. B.113 Buildings and general services - engineering

Personal services	45,644
Operating expenses	1,230,723
Total	1,276,367
Source of funds	
General fund	1,276,367
Total	1,276,367

Sec. B.113.1 Buildings and General Services Engineering - Capital Projects

Personal services	2,730,738
Operating expenses	500,000
Total	3,230,738
Source of funds	
General fund	2,730,738
Interdepartmental transfers	500,000
Total	3,230,738

Sec. B.114 Buildings and general services - information centers

Personal services	3,646,408
Operating expenses	1,801,847
Total	5,448,255

Source of funds	
General fund	668,401
Transportation fund	4,235,134
Special funds	544,720
Total	5,448,255

Sec. B.115 Buildings and general services - purchasing

Personal services	1,670,521
Operating expenses	191,576
Total	1,862,097
Source of funds	
General fund	1,481,008
Interdepartmental transfers	381,089
Total	1,862,097

Sec. B.116 Buildings and general services - postal services

Personal services	800,527
Operating expenses	173,126
Total	973,653
Source of funds	
General fund	87,613
Internal service funds	886,040
Total	973,653

Sec. B.117 Buildings and general services - copy center

Personal services	898,526
Operating expenses	208,536
Total	1,107,062
Source of funds	
Internal service funds	1,107,062
Total	1,107,062

Sec. B.118 Buildings and general services - fleet management services

Personal services	888,607
Operating expenses	245,134
Total	1,133,741
Source of funds	
Internal service funds	1,133,741
Total	1,133,741

Sec. B.119 Buildings and general services - federal surplus property

Operating expenses	4,298
Total	4,298

Source of funds	
Enterprise funds	4,298
Total	4,298

Sec. B.120 Buildings and general services - state surplus property

Personal services	340,128
Operating expenses	169,529
Total	509,657
Source of funds	
Internal service funds	509,657
Total	509,657

Sec. B.121 Buildings and general services - property management

Personal services	1,625,691
Operating expenses	465,485
Total	2,091,176
Source of funds	
Internal service funds	2,091,176
Total	2,091,176

Sec. B.122 Buildings and general services - fee for space

Personal services	18,762,037
Operating expenses	17,272,131
Total	36,034,168
Source of funds	
Internal service funds	35,964,112
Interdepartmental transfers	70,056
Total	36,034,168

Sec. B.124 Executive office - governor's office

Personal services	1,583,965
Operating expenses	467,778
Total	2,051,743
Source of funds	
General fund	1,801,931
Interdepartmental transfers	249,812
Total	2,051,743

Sec. B.125 Legislative counsel

Personal services	3,633,429
Operating expenses	291,348
Total	3,924,777

Source of funds	
General fund	3,924,777
Total	3,924,777

Sec. B.126 Legislature

Personal services	5,898,458
Operating expenses	4,649,260
Total	10,547,718
Source of funds	
General fund	10,547,718
Total	10,547,718

Sec. B.126.1 Legislative information technology

Personal services	1,279,864
Operating expenses	663,583
Total	1,943,447
Source of funds	
General fund	1,943,447
Total	1,943,447

Sec. B.127 Joint fiscal committee

Personal services	2,517,690
Operating expenses	191,250
Total	2,708,940
Source of funds	
General fund	2,708,940
Total	2,708,940

Sec. B.128 Sergeant at arms

Personal services	1,404,247
Operating expenses	130,514
Total	1,534,761
Source of funds	
General fund	1,534,761
Total	1,534,761

Sec. B.129 Lieutenant governor

Personal services	258,394
Operating expenses	44,090
Total	302,484
Source of funds	
General fund	302,484
Total	302,484

Sec. B.130 Auditor of accounts

Personal services	4,160,946
Operating expenses	183,967
Total	4,344,913
Source of funds	
General fund	372,808
Special funds	53,145
Internal service funds	3,918,960
Total	4,344,913

Sec. B.131 State treasurer

Personal services	5,374,687
Operating expenses	273,230
Grants	400,000
Total	6,047,917
Source of funds	
General fund	2,148,837
Special funds	3,737,463
Interdepartmental transfers	161,617
Total	6,047,917

Sec. B.132 State treasurer - unclaimed property

Personal services	809,823
Operating expenses	386,790
Total	1,196,613
Source of funds	
Interdepartmental transfers	0
Private purpose trust funds	1,196,613
Total	1,196,613

Sec. B.133 Vermont state retirement system

Personal services	221,698
Operating expenses	2,768,981
Total	2,990,679
Source of funds	
Pension trust funds	2,990,679
Total	2,990,679

Sec. B.134 Municipal employees' retirement system

Personal services	222,371
Operating expenses	1,499,452
Total	1,721,823

Source of funds	
Pension trust funds	1,721,823
Total	1,721,823

Sec. B.134.1 Vermont Pension Investment Commission

Personal services	2,129,637
Operating expenses	248,561
Total	2,378,198
Source of funds	
Special funds	2,378,198
Total	2,378,198

Sec. B.135 State labor relations board

Personal services	258,094
Operating expenses	49,671
Total	307,765
Source of funds	
General fund	298,189
Special funds	6,788
Interdepartmental transfers	2,788
Total	307,765

Sec. B.136 VOSHA review board

Personal services	86,954
Operating expenses	15,054
Total	102,008
Source of funds	
General fund	51,004
Interdepartmental transfers	51,004
Total	102,008

Sec. B.136.1 Ethics Commission

Personal services	147,767
Operating expenses	41,660
Total	189,427
Source of funds	
Internal service funds	189,427
Total	189,427

Sec. B.137 Homeowner rebate

Grants	16,250,000
Total	16,250,000

Source of funds	
General fund	16,250,000
Total	16,250,000

Sec. B.138 Renter rebate

Grants	9,500,000
Total	9,500,000
Source of funds	
General fund	9,500,000
Total	9,500,000

Sec. B.139 Tax department - reappraisal and listing payments

Grants	3,394,500
Total	3,394,500
Source of funds	
General fund	3,394,500
Total	3,394,500

Sec. B.140 Municipal current use

Grants	18,600,000
Total	18,600,000
Source of funds	
General fund	18,600,000
Total	18,600,000

Sec. B.142 Payments in lieu of taxes

Grants	12,280,750
Total	12,280,750
Source of funds	
Special funds	12,280,750
Total	12,280,750

Sec. B.143 Payments in lieu of taxes - Montpelier

Grants	184,000
Total	184,000
Source of funds	
Special funds	184,000
Total	184,000

Sec. B.144 Payments in lieu of taxes - correctional facilities

Grants	40,000
Total	40,000

Source of funds	
Special funds	40,000
Total	40,000

Sec. B.145 Total general government

Source of funds	
General fund	118,585,063
Transportation fund	4,235,134
Special funds	28,493,148
Federal funds	1,251,244
Internal service funds	203,532,178
Interdepartmental transfers	5,157,757
Enterprise funds	4,298
Pension trust funds	4,712,502
Private purpose trust funds	1,196,613
Total	367,167,937

Sec. B.200 Attorney general

Personal services	12,957,305
Operating expenses	1,696,265
Grants	20,000
Total	14,673,570
Source of funds	
General fund	6,974,796
Special funds	2,142,678
Tobacco fund	422,000
Federal funds	1,583,958
Interdepartmental transfers	3,550,138
Total	14,673,570

Sec. B.201 Vermont court diversion

Personal services	1,250
Grants	3,142,971
Total	3,144,221
Source of funds	
General fund	2,886,224
Special funds	257,997
Total	3,144,221

Sec. B.202 Defender general - public defense

Personal services	15,416,603
Operating expenses	1,235,698
Total	16,652,301

Source of funds	
General fund	15,912,648
Special funds	589,653
Interdepartmental transfers	150,000
Total	16,652,301

Sec. B.203 Defender general - assigned counsel

Personal services	7,213,974
Operating expenses	49,500
Total	7,263,474
Source of funds	
General fund	7,263,474
Total	7,263,474

Sec. B.204 Judiciary

Personal services	52,555,909
Operating expenses	11,583,876
Grants	121,030
Total	64,260,815
Source of funds	
General fund	58,250,863
Special funds	2,888,542
Federal funds	953,928
Interdepartmental transfers	2,167,482
Total	64,260,815

Sec. B.205 State's attorneys

Personal services	14,787,744
Operating expenses	1,999,496
Total	16,787,240
Source of funds	
General fund	15,904,997
Special funds	109,778
Federal funds	233,490
Interdepartmental transfers	538,975
Total	16,787,240

Sec. B.206 Special investigative unit

Personal services	64,287
Operating expenses	24,295
Grants	2,140,047
Total	2,228,629

Source of funds	
General fund	2,228,629
Total	2,228,629
Sec. B.206.1 Crime Victims Advocates	
Personal services	2,604,804
Operating expenses	106,693
Total	2,711,497
Source of funds	
General fund	2,711,497
Total	2,711,497
Sec. B.207 Sheriffs	
Personal services	4,698,652
Operating expenses	390,662
Total	5,089,314
Source of funds	
General fund	5,089,314
Total	5,089,314
Sec. B.208 Public safety - administration	
Personal services	4,539,941
Operating expenses	5,417,264
Grants	357,986
Total	10,315,191
Source of funds	
General fund	6,001,814
Special funds	4,105
Federal funds	547,260
Interdepartmental transfers	3,762,012
Total	10,315,191
Sec. B.209 Public safety - state police	
Personal services	67,754,321
Operating expenses	13,861,460
Grants	1,591,501
Total	83,207,282
Source of funds	
General fund	53,896,213
Transportation fund	20,250,000
Special funds	3,166,387
Federal funds	4,311,304
Interdepartmental transfers	1,583,378
Total	83,207,282

Sec. B.210 Public safety - criminal justice services

Personal services	5,378,976
Operating expenses	1,582,009
Total	6,960,985
Source of funds	
General fund	1,467,321
Special funds	4,970,533
Federal funds	523,131
Total	6,960,985

Sec. B.211 Public safety - emergency management

Personal services	4,561,578
Operating expenses	1,224,288
Grants	25,350,252
Total	31,136,118
Source of funds	
General fund	668,427
Special funds	710,000
Federal funds	29,561,807
Interdepartmental transfers	195,884
Total	31,136,118

Sec. B.212 Public safety - fire safety

Personal services	8,663,478
Operating expenses	2,974,022
Grants	107,000
Total	11,744,500
Source of funds	
General fund	1,505,641
Special funds	9,567,787
Federal funds	626,072
Interdepartmental transfers	45,000
Total	11,744,500

Sec. B.213 Public safety - Forensic Laboratory

Personal services	3,563,059
Operating expenses	1,198,044
Total	4,761,103
Source of funds	
General fund	3,626,083
Special funds	66,395

Federal funds	532,582
Interdepartmental transfers	536,043
Total	4,761,103
Sec. B.215 Military - administration	
Personal services	958,260
Operating expenses	746,963
Grants	1,319,834
Total	3,025,057
Source of funds	
General fund	3,025,057
Total	3,025,057
Sec. B.216 Military - air service contract	
Personal services	9,124,240
Operating expenses	1,396,315
Total	10,520,555
Source of funds	
General fund	665,922
Federal funds	9,854,633
Total	10,520,555
Sec. B.217 Military - army service contract	
Personal services	41,464,878
Operating expenses	7,542,958
Total	49,007,836
Source of funds	
Federal funds	49,007,836
Total	49,007,836
Sec. B.218 Military - building maintenance	
Personal services	789,478
Operating expenses	937,403
Total	1,726,881
Source of funds	
General fund	1,664,381
Special funds	62,500
Total	1,726,881
Sec. B.219 Military - veterans' affairs	
Personal services	1,204,996
Operating expenses	202,180
Grants	33,300
Total	1,440,476

Source of funds	
General fund	1,092,634
Special funds	241,942
Federal funds	105,900
Total	1,440,476

Sec. B.220 Center for crime victim services

Personal services	1,967,547
Operating expenses	391,397
Grants	9,181,723
Total	11,540,667
Source of funds	
General fund	1,472,674
Special funds	3,461,972
Federal funds	6,606,021
Total	11,540,667

Sec. B.221 Criminal justice council

Personal services	2,360,658
Operating expenses	1,711,725
Total	4,072,383
Source of funds	
General fund	3,720,035
Interdepartmental transfers	352,348
Total	4,072,383

Sec. B.222 Agriculture, food and markets - administration

Personal services	2,648,873
Operating expenses	367,498
Grants	217,222
Total	3,233,593
Source of funds	
General fund	1,467,038
Special funds	1,242,062
Federal funds	524,493
Total	3,233,593

Sec. B.223 Agriculture, food and markets - food safety and consumer protection

Personal services	4,963,520
Operating expenses	1,096,940
Grants	2,780,000
Total	8,840,460

Source of funds	
General fund	3,281,095
Special funds	3,942,188
Federal funds	1,605,177
Interdepartmental transfers	12,000
Total	8,840,460

Sec. B.224 Agriculture, food and markets - agricultural development

Personal services	6,409,252
Operating expenses	678,344
Grants	15,063,425
Total	22,151,021
Source of funds	
General fund	3,068,393
Special funds	627,904
Federal funds	18,454,724
Total	22,151,021

Sec. B.225 Agriculture, food and markets - agricultural resource management and environmental stewardship

Personal services	2,594,186
Operating expenses	979,802
Grants	212,000
Total	3,785,988
Source of funds	
General fund	745,509
Special funds	2,297,266
Federal funds	390,117
Interdepartmental transfers	353,096
Total	3,785,988

Sec. B.225.1 Agriculture, food and markets - Vermont Agriculture and Environmental Lab

Personal services	1,711,447
Operating expenses	1,363,276
Total	3,074,723
Source of funds	
General fund	1,296,731
Special funds	1,715,459
Interdepartmental transfers	62,533
Total	3,074,723

Sec. B.225.2 Agriculture, Food and Markets - Clean Water

Personal services	3,637,927
Operating expenses	575,499
Grants	6,580,630
Total	10,794,056
Source of funds	
General fund	1,732,136
Special funds	8,248,477
Federal funds	462,351
Interdepartmental transfers	351,092
Total	10,794,056

Sec. B.226 Financial regulation - administration

Personal services	2,580,669
Operating expenses	159,635
Total	2,740,304
Source of funds	
Special funds	2,740,304
Total	2,740,304

Sec. B.227 Financial regulation - banking

Personal services	2,426,962
Operating expenses	510,179
Total	2,937,141
Source of funds	
Special funds	2,937,141
Total	2,937,141

Sec. B.228 Financial regulation - insurance

Personal services	4,872,900
Operating expenses	634,698
Total	5,507,598
Source of funds	
Special funds	5,507,598
Total	5,507,598

Sec. B.229 Financial regulation - captive insurance

Personal services	5,294,300
Operating expenses	710,775
Total	6,005,075

Source of funds	
Special funds	6,005,075
Total	6,005,075

Sec. B.230 Financial regulation - securities

Personal services	1,294,776
Operating expenses	279,335
Total	1,574,111
Source of funds	
Special funds	1,574,111
Total	1,574,111

Sec. B.232 Secretary of state

Personal services	17,824,897
Operating expenses	3,932,905
Total	21,757,802
Source of funds	
Special funds	16,241,811
Federal funds	5,515,991
Total	21,757,802

Sec. B.233 Public service - regulation and energy

Personal services	11,014,203
Operating expenses	1,730,270
Grants	328,300
Total	13,072,773
Source of funds	
Special funds	12,310,355
Federal funds	741,706
Enterprise funds	20,712
Total	13,072,773

Sec. B.233.1 VT Community Broadband Board

Personal services	1,211,623
Operating expenses	155,443
Grants	1,300,000
Total	2,667,066
Source of funds	
Special funds	1,110,687
Federal funds	1,556,379
Total	2,667,066

Sec. B.234 Public utility commission

Personal services	3,913,942
Operating expenses	549,933
Total	4,463,875
Source of funds	
Special funds	4,463,875
Total	4,463,875

Sec. B.235 Enhanced 9-1-1 Board

Personal services	4,344,046
Operating expenses	451,287
Total	4,795,333
Source of funds	
Special funds	4,795,333
Total	4,795,333

Sec. B.236 Human rights commission

Personal services	915,815
Operating expenses	90,104
Total	1,005,919
Source of funds	
General fund	920,110
Federal funds	85,809
Total	1,005,919

Sec. B.236.1 Liquor & Lottery Comm. Office

Personal services	8,610,070
Operating expenses	5,529,374
Total	14,139,444
Source of funds	
Special funds	60,000
Tobacco fund	213,843
Interdepartmental transfers	70,000
Enterprise funds	13,795,601
Total	14,139,444

Sec. B.240 Cannabis Control Board

Personal services	4,829,061
Operating expenses	341,631
Total	5,170,692

Source of funds	
Special funds	5,170,692
Total	5,170,692

Sec. B.241 Total protection to persons and property

Source of funds	
General fund	208,539,656
Transportation fund	20,250,000
Special funds	109,230,607
Tobacco fund	635,843
Federal funds	133,784,669
Interdepartmental transfers	13,729,981
Enterprise funds	13,816,313
Total	499,987,069

Sec. B.300 Human services - agency of human services - secretary's office

Personal services	14,083,686
Operating expenses	5,402,086
Grants	2,895,202
Total	22,380,974
Source of funds	
General fund	9,767,874
Special funds	135,517
Federal funds	11,678,441
Interdepartmental transfers	799,142
Total	22,380,974

Sec. B.301 Secretary's office - global commitment

Grants	1,990,896,293
Total	1,990,896,293
Source of funds	
General fund	648,528,785
Special funds	32,994,384
Tobacco fund	21,049,373
State health care resources fund	25,265,312
Federal funds	1,259,024,269
Interdepartmental transfers	4,034,170
Total	1,990,896,293

Sec. B.303 Developmental disabilities council

Personal services	458,902
Operating expenses	95,330

Grants	191,595
Total	745,827
Source of funds	
Special funds	12,000
Federal funds	733,827
Total	745,827

Sec. B.304 Human services board

Personal services	648,082
Operating expenses	89,467
Total	737,549
Source of funds	
General fund	452,996
Federal funds	284,553
Total	737,549

Sec. B.305 AHS - administrative fund

Personal services	330,000
Operating expenses	13,170,000
Total	13,500,000
Source of funds	
Interdepartmental transfers	13,500,000
Total	13,500,000

Sec. B.306 Department of Vermont health access - administration

Personal services	136,568,959
Operating expenses	44,391,640
Grants	2,912,301
Total	183,872,900
Source of funds	
General fund	35,605,917
Special funds	4,753,011
Federal funds	134,621,243
Global Commitment fund	4,220,337
Interdepartmental transfers	4,672,392
Total	183,872,900

Sec. B.307 Department of Vermont health access - Medicaid program - global commitment

Personal services	547,983
Grants	932,542,238
Total	933,090,221

Source of funds	
Global Commitment fund	933,090,221
Total	933,090,221

Sec. B.309 Department of Vermont health access - Medicaid program - state only

Grants	53,067,318
Total	53,067,318
Source of funds	
General fund	53,062,626
Global Commitment fund	4,692
Total	53,067,318

Sec. B.310 Department of Vermont health access - Medicaid non-waiver matched

Grants	34,621,472
Total	34,621,472
Source of funds	
General fund	12,634,069
Federal funds	21,987,403
Total	34,621,472

Sec. B.311 Health - administration and support

Personal services	8,154,782
Operating expenses	7,410,428
Grants	16,697,133
Total	32,262,343
Source of funds	
General fund	3,131,446
Special funds	2,160,065
Federal funds	20,169,147
Global Commitment fund	6,732,468
Interdepartmental transfers	69,217
Total	32,262,343

Sec. B.312 Health - public health

Personal services	64,592,946
Operating expenses	13,047,530
Grants	45,946,724
Total	123,587,200
Source of funds	
General fund	12,408,429
Special funds	25,017,725

Tobacco fund	1,088,918
Federal funds	66,753,896
Global Commitment fund	16,582,951
Interdepartmental transfers	1,710,281
Permanent trust funds	25,000
Total	123,587,200

Sec. B.313 Health - substance use programs

Personal services	6,253,749
Operating expenses	511,500
Grants	61,041,638
Total	67,806,887
Source of funds	
General fund	5,591,811
Special funds	1,435,054
Tobacco fund	949,917
Federal funds	21,771,442
Global Commitment fund	38,058,663
Total	67,806,887

Sec. B.314 Mental health - mental health

Personal services	47,716,644
Operating expenses	5,272,240
Grants	264,539,814
Total	317,528,698
Source of funds	
General fund	25,282,556
Special funds	1,708,155
Federal funds	10,999,654
Global Commitment fund	279,524,193
Interdepartmental transfers	14,140
Total	317,528,698

Sec. B.316 Department for children and families - administration & support services

Personal services	44,446,942
Operating expenses	17,162,151
Grants	3,919,106
Total	65,528,199
Source of funds	
General fund	37,090,554
Special funds	2,781,912

Federal funds	23,540,549
Global Commitment fund	1,659,321
Interdepartmental transfers	455,863
Total	65,528,199

Sec. B.317 Department for children and families - family services

Personal services	43,987,652
Operating expenses	5,180,385
Grants	93,421,639
Total	142,589,676
Source of funds	
General fund	59,707,017
Special funds	729,587
Federal funds	33,937,204
Global Commitment fund	48,178,131
Interdepartmental transfers	37,737
Total	142,589,676

Sec. B.318 Department for children and families - child development

Personal services	5,670,999
Operating expenses	810,497
Grants	95,860,842
Total	102,342,338
Source of funds	
General fund	35,016,309
Special funds	16,745,000
Federal funds	37,419,258
Global Commitment fund	13,161,771
Total	102,342,338

Sec. B.319 Department for children and families - office of child support

Personal services	12,411,108
Operating expenses	3,714,732
Total	16,125,840
Source of funds	
General fund	4,900,195
Special funds	455,719
Federal funds	10,382,326
Interdepartmental transfers	387,600
Total	16,125,840

Sec. B.320 Department for children and families - aid to aged, blind and disabled

Personal services	2,252,206
Grants	10,431,118
Total	12,683,324
Source of funds	
General fund	7,533,333
Global Commitment fund	5,149,991
Total	12,683,324

Sec. B.321 Department for children and families - general assistance

Personal services	15,000
Grants	10,323,574
Total	10,338,574
Source of funds	
General fund	10,041,239
Federal funds	11,320
Global Commitment fund	286,015
Total	10,338,574

Sec. B.322 Department for children and families - 3SquaresVT

Grants	44,377,812
Total	44,377,812
Source of funds	
Federal funds	44,377,812
Total	44,377,812

Sec. B.323 Department for children and families - reach up

Operating expenses	30,633
Grants	35,536,413
Total	35,567,046
Source of funds	
General fund	23,233,869
Special funds	5,970,229
Federal funds	3,531,330
Global Commitment fund	2,831,618
Total	35,567,046

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	14,539,558
Total	16,019,953

Sec. B.325 Department for children and families - office of economic opportunity

Personal services	758,166
Operating expenses	95,628
Grants	27,534,109
Total	28,387,903
Source of funds	
General fund	20,942,194
Special funds	83,135
Federal funds	4,935,273
Global Commitment fund	2,427,301
Total	28,387,903

Sec. B.326 Department for children and families - OEO - weatherization assistance

Personal services	415,233
Operating expenses	251,470
Grants	11,838,018
Total	12,504,721
Source of funds	
Special funds	7,649,635
Federal funds	4,855,086
Total	12,504,721

Sec. B.327 Department for Children and Families - Secure Residential Treatment

Personal services	258,100
Operating expenses	153,597
Grants	3,476,862
Total	3,888,559
Source of funds	
General fund	3,858,559
Global Commitment fund	30,000
Total	3,888,559

Sec. B.328 Department for children and families - disability determination services

Personal services	7,486,999
Operating expenses	489,130
Total	7,976,129
Source of funds	
General fund	118,796
Federal funds	7,857,333
Total	7,976,129

Sec. B.329 Disabilities, aging, and independent living - administration & support

Personal services	42,900,084
Operating expenses	6,323,252
Total	49,223,336
Source of funds	
General fund	21,899,725
Special funds	1,390,457
Federal funds	24,831,870
Global Commitment fund	35,000
Interdepartmental transfers	1,066,284
Total	49,223,336

Sec. B.330 Disabilities, aging, and independent living - advocacy and independent living grants

Grants	22,380,328
Total	22,380,328
Source of funds	
General fund	9,220,695
Federal funds	7,321,114
Global Commitment fund	5,838,519
Total	22,380,328

Sec. B.331 Disabilities, aging, and independent living - blind and visually impaired

Grants	1,907,604
Total	1,907,604
Source of funds	
General fund	489,154
Special funds	223,450

Federal funds	890,000
Global Commitment fund	305,000
Total	1,907,604

Sec. B.332 Disabilities, aging, and independent living - vocational rehabilitation

Grants	10,179,845
Total	10,179,845
Source of funds	
General fund	1,371,845
Federal funds	7,558,000
Interdepartmental transfers	1,250,000
Total	10,179,845

Sec. B.333 Disabilities, aging, and independent living - developmental services

Grants	308,668,057
Total	308,668,057
Source of funds	
General fund	155,125
Special funds	15,463
Federal funds	431,512
Global Commitment fund	308,015,957
Interdepartmental transfers	50,000
Total	308,668,057

Sec. B.334 Disabilities, aging, and independent living - TBI home and community based waiver

Grants	6,638,028
Total	6,638,028
Source of funds	
Global Commitment fund	6,638,028
Total	6,638,028

Sec. B.334.1 Disabilities, aging and independent living - Long Term Care

Grants	268,715,683
Total	268,715,683
Source of funds	
General fund	498,579
Federal funds	2,450,000
Global Commitment fund	265,767,104
Total	268,715,683

Sec. B.335 Corrections - administration

Personal services	3,806,377
Operating expenses	243,057
Total	4,049,434
Source of funds	
General fund	4,049,434
Total	4,049,434

Sec. B.336 Corrections - parole board

Personal services	412,972
Operating expenses	59,257
Total	472,229
Source of funds	
General fund	472,229
Total	472,229

Sec. B.337 Corrections - correctional education

Personal services	3,648,027
Operating expenses	245,425
Total	3,893,452
Source of funds	
General fund	3,744,668
Education fund	0
Interdepartmental transfers	148,784
Total	3,893,452

Sec. B.338 Corrections - correctional services

Personal services	139,473,576
Operating expenses	24,600,099
Total	164,073,675
Source of funds	
General fund	159,502,946
Special funds	935,963
Federal funds	492,196
Global Commitment fund	2,746,255
Interdepartmental transfers	396,315
Total	164,073,675

Sec. B.338.1 Corrections - Justice Reinvestment II

Grants	10,659,519
Total	10,659,519

Source of funds	
General fund	8,081,831
Federal funds	13,147
Global Commitment fund	2,564,541
Total	10,659,519

Sec. B.339 Corrections - Correctional services-out of state beds

Personal services	4,130,378
Total	4,130,378
Source of funds	
General fund	4,130,378
Total	4,130,378

Sec. B.340 Corrections - correctional facilities - recreation

Personal services	598,105
Operating expenses	455,845
Total	1,053,950
Source of funds	
Special funds	1,053,950
Total	1,053,950

Sec. B.341 Corrections - Vermont offender work program

Personal services	1,220,613
Operating expenses	525,784
Total	1,746,397
Source of funds	
Internal service funds	1,746,397
Total	1,746,397

Sec. B.342 Vermont veterans' home - care and support services

Personal services	18,187,631
Operating expenses	5,978,873
Total	24,166,504
Source of funds	
General fund	4,199,478
Special funds	11,655,797
Federal funds	8,311,229
Total	24,166,504

Sec. B.343 Commission on women

Personal services	396,540
Operating expenses	74,880
Total	471,420

Source of funds	
General fund	467,572
Special funds	3,848
Total	471,420

Sec. B.344 Retired senior volunteer program

Grants	155,490
Total	155,490
Source of funds	
General fund	155,490
Total	155,490

Sec. B.345 Green Mountain Care Board

Personal services	8,136,639
Operating expenses	402,594
Total	8,539,233
Source of funds	
General fund	3,392,339
Special funds	5,146,894
Total	8,539,233

Sec. B.346 Office of the Child, Youth, and Family Advocate

Personal services	387,000
Operating expenses	26,000
Total	413,000
Source of funds	
General fund	413,000
Total	413,000

Sec. B.347 Total human services

Source of funds	
General fund	1,231,153,062
Special funds	124,537,345
Tobacco fund	23,088,208
State health care resources fund	25,265,312
Education fund	0
Federal funds	1,785,709,992
Global Commitment fund	1,943,848,077
Internal service funds	1,746,397
Interdepartmental transfers	28,591,925
Permanent trust funds	25,000
Total	5,163,965,318

Sec. B.400 Labor - programs	
Personal services	40,642,780
Operating expenses	5,955,495
Grants	12,432,900
Total	59,031,175
Source of funds	
General fund	10,600,636
Special funds	10,806,858
Federal funds	37,373,681
Interdepartmental transfers	250,000
Total	59,031,175
Sec. B.401 Total labor	
Source of funds	
General fund	10,600,636
Special funds	10,806,858
Federal funds	37,373,681
Interdepartmental transfers	250,000
Total	59,031,175
Sec. B.500 Education - finance and administration	
Personal services	17,683,192
Operating expenses	4,387,522
Grants	15,270,700
Total	37,341,414
Source of funds	
General fund	7,415,742
Special funds	16,575,926
Education fund	3,486,447
Federal funds	9,220,942
Global Commitment fund	260,000
Interdepartmental transfers	382,357
Total	37,341,414
Sec. B.501 Education - education services	
Personal services	30,951,380
Operating expenses	1,074,585
Grants	460,105,273
Total	492,131,238

Source of funds	
General fund	5,293,183
Special funds	2,919,560
Tobacco fund	750,388
Federal funds	483,168,107
Total	492,131,238
Sec. B.502 Education - special education: formula grants	
Grants	226,195,600
Total	226,195,600
Source of funds	
Education fund	226,195,600
Total	226,195,600
Sec. B.503 Education - state-placed students	
Grants	19,000,000
Total	19,000,000
Source of funds	
Education fund	19,000,000
Total	19,000,000
Sec. B.504 Education - adult education and literacy	
Grants	4,412,900
Total	4,412,900
Source of funds	
General fund	3,496,850
Federal funds	916,050
Total	4,412,900
Sec. B.504.1 Education - Flexible Pathways	
Grants	10,143,000
Total	10,143,000
Source of funds	
General fund	921,500
Education fund	9,221,500
Total	10,143,000
Sec. B.505 Education - adjusted education payment	
Grants	1,703,317,103
Total	1,703,317,103
Source of funds	
Education fund	1,703,317,103
Total	1,703,317,103

Sec. B.506 Education - transportation

Grants	23,520,000
Total	23,520,000
Source of funds	
Education fund	23,520,000
Total	23,520,000

Sec. B.507 Education - small school grants

Grants	8,300,000
Total	8,300,000
Source of funds	
Education fund	8,300,000
Total	8,300,000

Sec. B.509 Education - Afterschool Grant Program

Grants	4,000,000
Total	4,000,000
Source of funds	
Education fund	4,000,000
Total	4,000,000

Sec. B.510 Education - essential early education grant

Grants	8,350,389
Total	8,350,389
Source of funds	
Education fund	8,350,389
Total	8,350,389

Sec. B.511 Education - technical education

Grants	17,030,400
Total	17,030,400
Source of funds	
Education fund	17,030,400
Total	17,030,400

Sec. B.511.1 State Board of Education

Personal services	38,905
Operating expenses	31,803
Total	70,708

Source of funds	
General fund	70,708
Total	70,708
Sec. B.513 Retired Teachers Pension Plus Funding	
Grants	9,000,000
Total	9,000,000
Source of funds	
General fund	9,000,000
Total	9,000,000
Sec. B.514 State teachers' retirement system	
Grants	184,811,051
Total	184,811,051
Source of funds	
General fund	151,682,914
Education fund	33,128,137
Total	184,811,051
Sec. B.514.1 State teachers' retirement system administration	
Personal services	359,615
Operating expenses	3,088,640
Total	3,448,255
Source of funds	
Pension trust funds	3,448,255
Total	3,448,255
Sec. B.515 Retired teachers' health care and medical benefits	
Grants	53,740,528
Total	53,740,528
Source of funds	
General fund	38,318,167
Education fund	15,422,361
Total	53,740,528
Sec. B.516 Total general education	
Source of funds	
General fund	216,199,064
Special funds	19,495,486
Tobacco fund	750,388
Education fund	2,070,971,937
Federal funds	493,305,099

Global Commitment fund	260,000
Interdepartmental transfers	382,357
Pension trust funds	3,448,255
Total	2,804,812,586

Sec. B.600 University of Vermont

Grants	54,084,366
Total	54,084,366
Source of funds	
General fund	54,084,366
Total	54,084,366

Sec. B.602 Vermont state colleges

Grants	30,500,464
Total	30,500,464
Source of funds	
General fund	30,500,464
Total	30,500,464

Sec. B.602.2 Vermont state colleges - Transformation funding

Grants	17,500,000
Total	17,500,000
Source of funds	
General fund	17,500,000
Total	17,500,000

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	409,461
Total	1,157,775

Sec. B.605 Vermont student assistance corporation

Grants	25,378,588
Total	25,378,588
Source of funds	
General fund	25,378,588
Total	25,378,588

Sec. B.605.1 VSAC - Flexible Pathways Stipend

Grants	82,450
Total	82,450

Source of funds	
General fund	41,225
Education fund	41,225
Total	82,450

Sec. B.606 New England higher education compact

Grants	86,520
Total	86,520
Source of funds	
General fund	86,520
Total	86,520

Sec. B.607 University of Vermont - Morgan Horse Farm

Grants	1
Total	1
Source of funds	
General fund	1
Total	1

Sec. B.608 Total higher education

Source of funds	
General fund	128,339,478
Education fund	41,225
Global Commitment fund	409,461
Total	128,790,164

Sec. B.700 Natural resources - agency of natural resources - administration

Personal services	5,824,798
Operating expenses	1,471,913
Total	7,296,711
Source of funds	
General fund	4,914,987
Special funds	775,079
Interdepartmental transfers	1,606,645
Total	7,296,711

Sec. B.701 Natural resources - state land local property tax assessment

Operating expenses	2,674,517
Total	2,674,517

Source of funds	
General fund	2,253,017
Interdepartmental transfers	421,500
Total	2,674,517

Sec. B.702 Fish and wildlife - support and field services

Personal services	21,567,730
Operating expenses	7,140,027
Grants	936,232
Total	29,643,989
Source of funds	
General fund	7,173,206
Special funds	370,644
Fish and wildlife fund	10,921,090
Federal funds	9,793,589
Interdepartmental transfers	1,385,460
Total	29,643,989

Sec. B.703 Forests, parks and recreation - administration

Personal services	1,200,585
Operating expenses	1,596,687
Total	2,797,272
Source of funds	
General fund	2,675,711
Special funds	121,561
Total	2,797,272

Sec. B.704 Forests, parks and recreation - forestry

Personal services	7,948,381
Operating expenses	921,952
Grants	1,184,458
Total	10,054,791
Source of funds	
General fund	6,033,830
Special funds	702,229
Federal funds	3,098,484
Interdepartmental transfers	220,248
Total	10,054,791

Sec. B.705 Forests, parks and recreation - state parks

Personal services	12,306,202
Operating expenses	3,741,476

Grants	50,000
Total	16,097,678
Source of funds	
General fund	690,613
Special funds	15,407,065
Total	16,097,678

Sec. B.706 Forests, parks and recreation - lands administration and recreation

Personal services	2,496,749
Operating expenses	395,675
Grants	2,827,587
Total	5,720,011
Source of funds	
General fund	1,110,710
Special funds	2,141,005
Federal funds	2,225,851
Interdepartmental transfers	242,445
Total	5,720,011

Sec. B.708 Forests, parks and recreation - forest and parks access roads

Personal services	130,000
Operating expenses	99,925
Total	229,925
Source of funds	
General fund	229,925
Total	229,925

Sec. B.709 Environmental conservation - management and support services

Personal services	8,525,369
Operating expenses	4,700,521
Grants	116,640
Total	13,342,530
Source of funds	
General fund	2,039,082
Special funds	788,553
Federal funds	2,129,363
Interdepartmental transfers	8,385,532
Total	13,342,530

Sec. B.710 Environmental conservation - air and waste management

Personal services	26,006,961
Operating expenses	10,026,393

Grants	4,905,988
Total	40,939,342
Source of funds	
General fund	193,565
Special funds	26,236,633
Federal funds	14,342,090
Interdepartmental transfers	167,054
Total	40,939,342

Sec. B.711 Environmental conservation - office of water programs

Personal services	48,062,786
Operating expenses	7,982,625
Grants	46,863,117
Total	102,908,528
Source of funds	
General fund	9,971,201
Special funds	30,662,978
Federal funds	61,487,925
Interdepartmental transfers	786,424
Total	102,908,528

Sec. B.713 Natural resources board

Personal services	3,082,659
Operating expenses	397,315
Total	3,479,974
Source of funds	
General fund	713,735
Special funds	2,766,239
Total	3,479,974

Sec. B.714 Total natural resources

Source of funds	
General fund	37,999,582
Special funds	79,971,986
Fish and wildlife fund	10,921,090
Federal funds	93,077,302
Interdepartmental transfers	13,215,308
Total	235,185,268

Sec. B.800 Commerce and community development - agency of commerce and community development - administration

Personal services	2,610,304
Operating expenses	982,307
Grants	539,820
Total	4,132,431

Source of funds	
General fund	3,666,442
Federal funds	351,000
Interdepartmental transfers	114,989
Total	4,132,431

Sec. B.801 Economic development

Personal services	4,803,989
Operating expenses	1,050,879
Grants	6,433,544
Total	12,288,412
Source of funds	
General fund	5,489,902
Special funds	616,421
Federal funds	4,358,416
Interdepartmental transfers	1,823,673
Total	12,288,412

Sec. B.802 Housing and community development

Personal services	6,428,334
Operating expenses	705,584
Grants	23,739,005
Total	30,872,923
Source of funds	
General fund	5,031,943
Special funds	6,937,054
Federal funds	15,854,615
Interdepartmental transfers	3,049,311
Total	30,872,923

Sec. B.806 Tourism and marketing

Personal services	5,208,860
Operating expenses	8,930,168
Grants	1,050,000
Total	15,189,028
Source of funds	
General fund	4,630,975
Federal funds	10,483,053
Interdepartmental transfers	75,000
Total	15,189,028

Sec. B.808 Vermont council on the arts	
Grants	896,940
Total	896,940
Source of funds	
General fund	896,940
Total	896,940
Sec. B.809 Vermont symphony orchestra	
Grants	145,320
Total	145,320
Source of funds	
General fund	145,320
Total	145,320
Sec. B.810 Vermont historical society	
Grants	1,060,699
Total	1,060,699
Source of funds	
General fund	1,060,699
Total	1,060,699
Sec. B.811 Vermont housing and conservation board	
Grants	86,519,068
Total	86,519,068
Source of funds	
Special funds	24,552,855
Federal funds	61,966,213
Total	86,519,068
Sec. B.812 Vermont humanities council	
Grants	300,000
Total	300,000
Source of funds	
General fund	300,000
Total	300,000
Sec. B.813 Total commerce and community development	
Source of funds	
General fund	21,222,221
Special funds	32,106,330
Federal funds	93,013,297
Interdepartmental transfers	5,062,973
Total	151,404,821

Sec. B.900 Transportation - finance and administration

Personal services	16,695,727
Operating expenses	5,232,777
Grants	50,000
Total	21,978,504
Source of funds	
Transportation fund	20,977,164
Federal funds	1,001,340
Total	21,978,504

Sec. B.901 Transportation - aviation

Personal services	3,532,154
Operating expenses	13,397,252
Grants	345,000
Total	17,274,406
Source of funds	
Transportation fund	6,166,805
Federal funds	11,107,601
Total	17,274,406

Sec. B.902 Transportation - buildings

Operating expenses	1,525,000
Total	1,525,000
Source of funds	
Transportation fund	1,525,000
Total	1,525,000

Sec. B.903 Transportation - program development

Personal services	65,810,461
Operating expenses	311,158,635
Grants	25,916,923
Total	402,886,019
Source of funds	
Transportation fund	50,411,002
TIB fund	22,129,870
Special funds	3,000,000
Federal funds	321,560,449
Interdepartmental transfers	1,411,518
Local match	4,373,180
Total	402,886,019

Sec. B.904 Transportation - rest areas construction

Personal services	800,000
Operating expenses	846,444
Total	1,646,444
Source of funds	
Transportation fund	166,964
Federal funds	1,479,480
Total	1,646,444

Sec. B.905 Transportation - maintenance state system

Personal services	42,637,277
Operating expenses	65,043,488
Total	107,680,765
Source of funds	
Transportation fund	106,934,950
Federal funds	645,815
Interdepartmental transfers	100,000
Total	107,680,765

Sec. B.906 Transportation - policy and planning

Personal services	4,984,735
Operating expenses	1,099,716
Grants	7,227,544
Total	13,311,995
Source of funds	
Transportation fund	3,260,534
Federal funds	9,989,315
Interdepartmental transfers	62,146
Total	13,311,995

Sec. B.906.1 Transportation - Environmental Policy and Sustainability

Personal services	2,009,518
Grants	25,964,730
Total	27,974,248
Source of funds	
Transportation fund	472,695
Federal funds	22,095,781
Local match	5,405,772
Total	27,974,248

Sec. B.907 Transportation - rail

Personal services	3,622,004
Operating expenses	39,386,316
Total	43,008,320
Source of funds	
Transportation fund	15,608,462
Federal funds	26,596,858
Interdepartmental transfers	671,000
Local match	132,000
Total	43,008,320

Sec. B.908 Transportation - public transit

Personal services	4,062,649
Operating expenses	90,285
Grants	44,642,396
Total	48,795,330
Source of funds	
Transportation fund	9,016,189
Federal funds	39,639,141
Interdepartmental transfers	140,000
Total	48,795,330

Sec. B.909 Transportation - central garage

Personal services	5,367,400
Operating expenses	18,588,985
Total	23,956,385
Source of funds	
Internal service funds	23,956,385
Total	23,956,385

Sec. B.910 Department of motor vehicles

Personal services	31,563,822
Operating expenses	13,346,863
Total	44,910,685
Source of funds	
Transportation fund	42,101,908
Federal funds	2,687,081
Interdepartmental transfers	121,696
Total	44,910,685

Sec. B.911 Transportation - town highway structures

Grants	7,416,000
Total	7,416,000
Source of funds	
Transportation fund	7,416,000
Total	7,416,000

Sec. B.912 Transportation - town highway local technical assistance program

Personal services	443,165
Operating expenses	34,750
Total	477,915
Source of funds	
Transportation fund	117,915
Federal funds	360,000
Total	477,915

Sec. B.913 Transportation - town highway class 2 roadway

Grants	8,858,000
Total	8,858,000
Source of funds	
Transportation fund	8,858,000
Total	8,858,000

Sec. B.914 Transportation - town highway bridges

Personal services	16,970,000
Operating expenses	19,731,775
Grants	500,000
Total	37,201,775
Source of funds	
TIB fund	3,099,345
Federal funds	32,908,515
Local match	1,193,915
Total	37,201,775

Sec. B.915 Transportation - town highway aid program

Grants	28,672,753
Total	28,672,753
Source of funds	
Transportation fund	28,672,753
Total	28,672,753

Sec. B.916 Transportation - town highway class 1 supplemental grants

Grants	128,750
Total	128,750
Source of funds	
Transportation fund	128,750
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	1,150,000
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	160,000
Total	180,000

Sec. B.919 Transportation - municipal mitigation assistance program

Personal services	100,000
Operating expenses	275,000
Grants	10,113,523
Total	10,488,523
Source of funds	
Transportation fund	705,000
Special funds	5,000,000
Federal funds	4,783,523
Total	10,488,523

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	200,000
Total	1,250,000

Sec. B.921 Transportation board

Personal services	169,068
Operating expenses	24,412
Total	193,480
Source of funds	
Transportation fund	193,480
Total	193,480

Sec. B.922 Total transportation

Source of funds	
Transportation fund	303,903,571
TIB fund	25,229,215
Special funds	8,050,000
Federal funds	476,014,899
Internal service funds	23,956,385
Interdepartmental transfers	2,706,360
Local match	11,104,867
Total	850,965,297

Sec. B.1000 Debt service

Operating expenses	75,705,398
Total	75,705,398
Source of funds	
General fund	75,377,993
Transportation fund	327,405
Total	75,705,398

Sec. B.1001 Total debt service

Source of funds	
General fund	75,377,993
Transportation fund	327,405
Total	75,705,398

* * * Fiscal Year 2024 One-time Appropriations * * *

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

(a) Agency of Administration. In fiscal year 2024, funds are appropriated for the following:

(1) $2,300,000 General Fund to create, implement, and oversee a comprehensive statewide language access plan;

(2) $15,000,000 General Fund to be used to offset the cost of denied claims for Federal Emergency Management Agency (FEMA) reimbursement.

(3) $500,000 General Fund for community grants related to health equity. These funds shall not be released until the recommendation and report required by Sec. E.100.1 of this act, regarding the permanent administrative location for the Office of Health Equity, is provided to the committees of jurisdiction listed in Sec. E.100.1 of this act and the positions in the Office of Health Equity created by this act are filled.

(b) Vermont State Colleges. In fiscal year 2024, funds are appropriated for the following:

(1) $3,820,000 General Fund and $5,180,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds for bridge funding to support ongoing system transformation; and

(2) $4,000,000 General Fund for the Community College of Vermont to reduce the tuition fee for certificates, degrees, and courses that have a direct nexus to Vermont business and industry needs.

(c) Department of Human Resources. In fiscal year 2024, funds are appropriated for the following:

(1) $725,000 General Fund to fund seven new permanent full-time positions in the Operations division in fiscal year 2024. These position costs shall be funded through the Department of Human Resources – Internal Service Fund beginning in fiscal year 2025;

(2) $75,000 General Fund to fund one new permanent full-time position in the VTHR Operations division in fiscal year 2024. This position cost shall be funded through the Department of Human Resources – Internal Service Fund beginning in fiscal year 2025; and

(3) $1,900,000 General Fund for the implementation of a Paid Family and Medical Leave Insurance program available to all State employees in fiscal year 2024. This program cost shall be funded through the Department of Human Resources – Internal Service Fund beginning in fiscal year 2025.

(d) $200,000 General Fund to the Department of Libraries in fiscal year 2024 to support the FiberConnect project relating to Internet access in public libraries.

(e) Department of Public Safety. In fiscal year 2024, funds are appropriated for the following:

(1) $190,000 General Fund for external carriers (vests) that improve the ergonomics of ballistic personal protective equipment; and

(2) $500,000 General Fund for hiring incentives, including hiring bonuses, to be paid to all new sworn members and emergency communication dispatchers; recruitment awards to current members for successful recruitment of a new member (criteria dependent); and student loan debt repayment of up to $10,000 per new hire toward the repayment of preexisting student loan debt.

(f) Military Department. In fiscal year 2024, funds are appropriated for the following:

(1) $10,000 General Fund for a grant to the USS Vermont Support Group, a nonprofit organization supporting military members serving on the USS Vermont (SSN 792) and their families; and

(2) $10,000 General Fund for a grant to North Country Honor Flight, an organization that sponsors escorted trips for veterans to visit the war memorials on the National Mall, to cover the expenses of 10 Vermont resident attendees.

(g) Criminal Justice Council. In fiscal year 2024, funds are appropriated for the following:

(1) $1,200,000 General Fund for a three-phase accreditation process to include job task analysis, curriculum development and piloting;

(2) $20,000 General Fund for a records management system to ensure efficient and compliant recordkeeping, including case management tracking, reporting, and compliance monitoring for remote learning; and

(3) $200,000 General Fund for a request for proposals and contracts related to procedure development; off-site course development; records management system transition; developing pathways to certification; and medical personnel.

(h) $210,000 General Fund to the Office of the Defender General in fiscal year 2024, for the case management system.

(i) Agency of Agriculture, Food and Markets. In fiscal year 2024, funds are appropriated for the following:

(1) $110,000 General Fund for electric vehicle charger inspections. Funds shall be used for the purchase of two testing units and related equipment to support the development and implementation of the Commercial Electric Vehicle Fueling Systems regulatory program;

(2) $1,070,000 General Fund for replacement of the existing Food Safety Inspection Database; and

(3) $500,000 General Fund for a grant to Salvation Farms to expand access to locally grown food for all Vermonters.

(j) $105,000 General Fund to the Department of Mental Health in fiscal year 2024 for expediting competency and sanity evaluations.

(k) Green Mountain Care Board. In fiscal year 2024, funds are appropriated for the following:

(1) $620,000 General Fund for costs associated with the implementation of the Vermont Health Care Uniform Reporting and Evaluation System (VHCURES) database;

(2) $120,500 General Fund for the implementation of a new financial database solution; and

(3) $50,000 General Fund for the development of the statutorily required Health Resources Allocation Plan Tool.

(l) Agency of Human Services Central Office. In fiscal year 2024, funds are appropriated for the following:

(1) $1,000,000 General Fund to the State Refugee Office for the Employment Assistance Grants program created in 2022 Acts and Resolves No. 185, Sec. B.1100, as amended by 2023 Acts and Resolves No. 3, Sec. 45. Funds remaining at the end of fiscal year 2025 shall revert to the General Fund;

(2) $8,834,000 General Fund and $11,483,302 Federal Revenue Fund #22005 for a two-year pilot to expand the Blueprint for Health Hub and Spoke program. Funds shall be used to expand the substances covered by the program, include mental health and pediatric screenings, and make strategic investments with community partners;

(3) $10,000,000 General Fund to continue to address the emergent and exigent circumstances impacting health care providers following the COVID-19 pandemic; and

(4) $10,534,603 General Fund and $13,693,231 Federal Revenue Fund #22005 for use as Global Commitment matching funds for one-time caseload pressures due to the suspension of Medicaid eligibility redeterminations.

(m) $366,066 General Fund and $372,048 Federal Revenue Fund #22005 to the Department of Vermont Health Access for a two-year pilot to expand the Blueprint for Health Hub and Spoke program and $15,583,352 Global Commitment Fund #20405 to the Department of Health Access Medicaid

program for a two-year pilot to expand the Blueprint for Health Hub and Spoke program.

(n) Department of Health. In fiscal year 2024, funds are appropriated for the following:

(1) $4,595,448 Global Commitment Fund #20405 to the Division of Substance Use Programs for a two-year pilot to expand the Blueprint for Health Hub and Spoke program;

(2) $30,000 General Fund for a housing voucher program administered by the Vermont Association of Recovery Residences and Jenna's Promise to pay for a recovery home residents' first month of rent;

(3) $1,590,000 General Fund for the Division of Substance Use Programs, in conjunction with $1,410,000 appropriated from the General Fund in Sec. B.313 of this act representing 30 percent of the fiscal year 2023 forecast for cannabis excise tax and used in a manner consistent with the Substance Misuse Prevention Coalition funding intent as stated in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(12)(A)(i);

(4) $500,000 Tobacco Settlement Fund for the Division of Substance Use Programs for tobacco and substance use disorder prevention and cessation activities. The Division shall require that information on the use of the funds appropriated in accordance with this section be provided to the Division by grantees in an agreed-upon time frame, including the specific activities supported by the funds, a description of the number of individuals served, and information on the outcomes achieved by this investment. On or before, January 10, 2024, the Division shall report on these metrics to the House and Senate Committees on Appropriations, to the House Committee on Human Services, and to the Senate Committee on Health and Welfare;

(5) $100,000 General Fund to the Department of Health to support the Regional Emergency Medical Services Coordination study, which may include hiring a consultant or others with technical expertise or both for the purpose of assisting the Department in conducting its study and writing a report on its findings and recommendations;

(6) $100,000 General Fund to the Division of Substance Use Programs for a grant to Jenna's Promise;

(7) $5,000,000 General Fund for the purpose of supporting the Community Violence Prevention Program established by legislation enacted in 2023. Unexpended appropriations shall carry forward into the subsequent fiscal year and remain available for use for this purpose. All or part of this

appropriation may be transferred to the Department of Health for this Program if necessary;

(8) $375,000 General Fund to be granted to the Vermont Foundation for Recovery for one-time program support; and

(9) $350,000 General Fund to be granted to the Bridges to Health and University of Vermont Extension Community Health Worker Outreach program to support outreach, enrollment, education, transition, referral and care coordination to migrant workers and farm families through June 30, 2024.

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

(1) $2,000,000 General Fund to implement the two-year Reach Ahead Pilot Program. Funds shall be used to increase monthly food assistance benefits to Reach Ahead participants, expand the eligibility window for those leaving Reach Up, and provide incentive payments;

(2) $650,000 General Fund for the 2-1-1 service line. The Department, in consultation with the Agency of Human Services Central Office, shall report on the status of the service and its funding to the Joint Fiscal Committee on or before the Committee's November 2023 meeting;

(3) $40,000 General Fund to fund the purchase of a driving school vehicle for the Youth Development Program to support foster and former foster youth access to driver's education;

(4) $18,884,610 General Fund to address the estimated need for the Adverse Weather Conditions policy and General Assistance Emergency Housing hotel and motel expenditures in fiscal year 2024;

(5) $5,000,000 General Fund to the Housing Opportunity Grant Program to expand and provide wraparound supports and services for homeless households;

(6) $3,000,000 General Fund for a grant to the Vermont Food Bank to support increased capacity of services to meet persistent food insecurity;

(7) $100,000 General Fund for a grant to the Vermont Food Bank in consultation with the Junior League of Vermont for the statewide distribution of diapers to families in need;

(8) $50,000 General Fund for a grant to the Vermont Donor Milk Center for statewide activities;

(9) $130,000 General Fund for a grant to the Snelling Center to restart the Early Childhood Education Leadership Program; and

(10) $300,000 General Fund for a grant to Prevent Child Abuse Vermont to provide education regarding the prevention of unsafe infant sleep and to expand programming and support services regarding child abuse often related to parental substance misuse.

(p) Department of Labor. In fiscal year 2024, funds are appropriated for the following:

(1) $200,000 General Fund to be granted to the State Workforce Development Board for the New American Labor Force Program; and

(2) $1,000,000 General Fund to provide services under the Work-Based Learning and Training Program established pursuant to 10 V.S.A. § 547.

(q) Natural Resources Board. In fiscal year 2024, funds are appropriated for the following:

(1) $1,000,000 General Fund for the digitization of Natural Resources Board documents. Funds shall be used for the continued digitization of permanent, paper-based Act 250 land use permit records currently located at the Natural Resources Board's five district offices; and

(2) $200,000 General Fund for an Act 250 study contract. Funds shall be used to contract with a consultant to assist with the preparation of a report on updates necessary to the Act 250 program, per 2022 Acts and Resolves No. 182, Sec. 41(a).

(r) $200,000 General Fund in fiscal year 2024 to the Agency of Education for the work of the School Construction Task Force.

(s) $35,000 General Fund to the Vermont Symphony Orchestra to support the celebration of the Symphony's 90th season.

(t) $1,200,000 General Fund to the Vermont Housing and Conservation Board to administer and support the activities of the Land Access and Opportunity Board.

(u) $1,750,000 Tax – Current Use Administration Fund #21594 to the Department of Taxes for the digitization of the Current Use program.

(v) Public Service Department. In fiscal year 2024, funds are appropriated for the following:

(1) $500,000 Regulation/Energy Efficiency Fund #21698 to upgrade and expand the ePSD case management system;

(2) $400,000 Regulation/Energy Efficiency Fund #21698 to complete the Telecom Plan Update scheduled for June 2024; and

(3) $300,000 Regulation/Energy Efficiency Fund #21698 to craft policy proposals to reform and streamline electric sector policy.

(w) Agency of Digital Services. In fiscal year 2024, funds are appropriated for the following:

(1) $10,000,000 Technology Modernization Fund #21951 for Network and Security Infrastructure Modernization including planning and design and the replacement of legacy infrastructure, hardware and software, platforms underlying the network and security architecture.

(A) The Agency of Digital Services shall select a vendor through a competitive bid process. The Agency of Digital Services shall consider bids with options to buy or lease equipment. Per 3 V.S.A. § 3303, any project with a total cost of $1,000,000 or greater shall be subject to an expert independent review. The review shall include an analysis of all options, although the Agency of Digital Services is limited to the bids that it receives. The Agency of Digital Services may also purchase or lease equipment through a separate competitive bid process.

(B) Once a vendor has been selected and an expert independent review completed, the Agency of Digital Services shall issue a verbal or written report to the Joint Information Technology Oversight Committee.

(x) $4,680,000 General Fund to the Judiciary for the Judiciary network replacement project.

(A) Judiciary shall update the Joint Information Technology Oversight Committee on the status of this project on or before December 1, 2023.

(y) $117,000 General Fund to the Agency of Commerce and Community Development for a grant to the Vermont 250th Anniversary Commission for the 250th celebration.

(z) Vermont Center for Crime Victims' Services. In fiscal year 2024, funds are appropriated for the following:

(1) $25,000 General Fund for a grant for a monument to the survivors of St. Joseph's Orphanage; and

(2) $10,000 General Fund to continue the work of the Intercollegiate Sexual Harm Prevention Council.

(aa) $450,000 General Fund to the Department of Disabilities, Aging, and Independent Living to continue the SASH pilot for another year.

(bb) $100,000 General Fund to the Vermont Pension Investment Commission for a study on the assets of the State's pension systems.

(cc) $750,000 General Fund to the State Treasurer for the initial costs of the Vermont Saves program.

(dd) Secretary of State. In fiscal year 2024, funds are appropriated for the following:

(1) $1,000,000 General Fund for a grant to the Vermont Access Network to offset declining cable revenues.

(2) $100,000 General Fund for grants to municipalities for ranked choice voting.

(ee) Joint Fiscal Office. In fiscal year 2024, funds are appropriated for the following:

(1) $250,000 for per diem compensation and reimbursement of expenses for members of the Task Force on Economic Development Incentives and for consulting services approved by the Task Force.

(2) $75,000 for per diem compensation and reimbursement of expenses for members of the Legislative Working Group on Renewable Energy Standard Reform and for consulting services related to this Group's work.

* * * Workforce Development * * *

Sec. B.1101 WORKFORCE AND ECONOMIC DEVELOPMENT – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) Education workforce.

(1) In fiscal year 2024, the amount of $500,000 is appropriated from the General Fund to the Agency of Education for the purpose of funding the Emerging Pathways Grant Program to encourage and support the development and retention of qualified and effective Vermont educators with the goal of increased program completion rates and increased rates of licensure of underrepresented demographics. These grants are to expand support, mentoring, and professional development to prospective educators seeking licensure through the Agency of Education's emerging pathways, including peer review and apprentice pathways.

(A) Program administration. The Agency shall adopt policies, procedures, and guidelines necessary for implementation of the grant program. The Agency shall report to General Assembly on the status of the program on or before January 15, 2024.

(B) Eligibility criteria. The Agency shall issue grants to organizations, school districts, or a group of school districts for the development and administration of programs designed to provide prospective educators in emerging pathways with the support necessary for successful entry into the educator workforce. Recruitment, support, and retention of prospective educator candidates shall focus on diversity, equity, and inclusion. Support provided through the program may include:

(i) support through the Praxis exam process;

(ii) local, educator-led seminars designed around the Vermont licensure portfolio themes;

(iii) local educator mentors;

(iv) support in completing the peer review portfolio and licensing process; and

(v) continued professional development support within the first year of licensure.

(2) In fiscal year 2024, the amount of $2,500,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation for the Vermont Teacher Forgivable Loan Incentive Program to provide forgivable loans to students enrolled in an eligible school who meet the eligibility requirements in subdivision (A) of this subsection. The goal of the program is to encourage students to enter into teaching professions, with an emphasis on encouraging Black, Indigenous, and Persons of Color, New Americans, and other historically underrepresented communities.

(A) To be eligible for a forgivable loan under the program an individual, whether a resident or nonresident of Vermont, shall satisfy all of the following requirements:

(i) be enrolled in a teaching program at an eligible school;

(ii) maintain good standing at the eligible school at which the individual is enrolled;

(iii) agree to work as a teacher in a Vermont public school for a minimum of one year following licensure for each year of forgivable loan awarded;

(iv) have executed a credit agreement or promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, pursuant to subdivision (B) of this section, if the individual fails to complete the period of service required in this subdivision;

(v) have completed the program's application form, the Free Application for Federal Student Aid (FAFSA), and, for Vermont residents, the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation; and

(vi) have provided such other documentation as the Corporation may require.

(B) If an eligible individual fails to serve as a teacher in a Vermont public school for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free credit agreement or promissory note signed by the individual at the time of entering the program.

(C) There shall be no deadline to apply for a forgivable loan under this section. Forgivable loans shall be awarded on a rolling basis provided funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

(D) The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, including maximum forgivable loan amounts. The Corporation shall not use more than seven percent of the funds appropriated for the program for its costs of administration and may recoup its reasonable costs of collecting the forgivable loans in repayment.

(3) In fiscal year 2024, the sum of $30,000 is appropriated from the General Fund to the Agency of Education for the purpose of funding the Historically Underrepresented Educator Affinity Groups Grant Program to provide grants for the support of existing and development of new educator affinity groups for historically underrepresented groups. The Agency of Education shall administer the program.

(A) The Agency shall adopt policies, procedures, and guidelines necessary for the implementation of the program established pursuant to this subdivision.

(b) Youth workforce and high school completion.

(1) In fiscal year 2024, the amount of $2,300,000 is appropriated from the General Fund to the Department of Forests, Parks and Recreation to fund the Vermont Serve, Learn, and Earn Program, which supports workforce development goals through creating meaningful paid service and learning opportunities for young adults, through the Serve, Learn, and Earn Partnership

made up of the Vermont Youth Conservation Corps, Vermont Audubon, Vermont Works for Women, and Resource VT. The Department shall enter into a grant agreement with the Partnership that specifies the required services and outcomes for the Program.

(2) In fiscal year 2024, the amount of $1,000,000 is appropriated from the General Fund to the Agency of Education for grants to Adult Basic Education programs to provide bridge funding for Adult Basic Education programs while the study and report required by Sec. E.504 of this act is completed.

(c) Higher education.

(1) In fiscal year 2024, the amount of $500,000 is appropriated from the General Fund to the Vermont State Colleges to establish a Bachelor of Science program in restorative justice at Vermont State University.

(2) In fiscal year 2024 the amount of $1,500,000 is appropriated from the General Fund to the Vermont State Colleges to establish the Certificate in 3-D Technology program.

(3) In fiscal year 2024, the amount of $3,800,000 is appropriated from the General Fund to the Vermont State Colleges to provide Critical Occupations Scholarships for eligible students with a household income of $75,000 or less enrolled in education programs that lead to a career in the following: early childhood occupations, clinical mental health counseling, criminal justice occupations, dental hygienists, and all levels of nursing.

(4) In fiscal year 2024, the amount of $1,500,000 is appropriated from the General Fund to the University of Vermont to provide additional free classes through the Upskill Vermont Scholarship Program for Vermont residents seeking to transition to a new career or to enhance job skills.

(5) In fiscal year 2024, the amount of $1,500,000 is appropriated from the General Fund to the University of Vermont Office of Engagement, in consultation with the Vermont Student Assistance Corporation, for additional forgivable loans of $5,000 per graduate for recent college graduates across all Vermont higher education institutions who commit to work in Vermont for two years after graduation.

(6) In fiscal year 2024, the amount of $350,000 is appropriated from the General Fund to the Vermont Student Assistance Corporation for a subgrant to Advance Vermont to continue work pursuant to 2022 Acts and Resolves No. 183, Sec. 39 in support of the State's goal articulated in 10 V.S.A. § 546 that 70 percent of working-age Vermonters hold a credential of value by 2025. On or before December 15, 2023, Advance Vermont shall report to the General

Assembly regarding outcomes achieved, the use of these State funds, and the other fund sources Advance Vermont has secured for this project.

(d) Healthcare and social services workforce.

(1) In fiscal year 2024, the amount of $1,000,000 is appropriated from the General Fund to the Department of Health to be transferred as needed to the Vermont Student Assistance Corporation for the Vermont Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program created in 18 V.S.A. § 39.

(2) In fiscal year 2024, the amount of $1,000,000 is appropriated from the General Fund to the Department of Health to provide training for emergency medical services personnel.

(3) In fiscal year 2024, the amount of $170,000 is appropriated from the General Fund to the Agency of Human Services to provide one additional year of funding for the classified, three-year limited service Health Care Workforce Coordinator position created in the Agency of Human Services, Office of Health Care Reform, pursuant to 2022 Acts and Resolves No. 183, Sec. 34(a).

(4) In fiscal year 2024, the amount of $3,000,000 is appropriated from the General Fund to the Department of Mental Health to address workforce needs at the designated and specialized service agencies. These funds shall not be released until a plan to meet training and retention is mutually agreed upon by the Department of Disabilities, Aging, and Independent Living and the designated and specialized service agencies and approved by the General Assembly or the Joint Fiscal Committee if the legislature is not in session. All or a portion of these funds may be used as matching funds to the Agency of Human Services Global Commitment program to provide State match if any part of the plan is eligible to draw federal funds. It is the intent of the General Assembly to maximize the value of this one-time funding through eligible Global Commitment investment.

(e) Corrections workforce.

(1) In fiscal year 2024, the amount of $200,000 is appropriated from the General Fund to the Department of Corrections for the purpose of contracting or expanding an existing contract with a vendor to provide supervisory and management professional development services to the Department's employees in accordance with the Department's efforts to address an employee workforce crisis and strengthen workplace satisfaction, pursuant to Sec. F.16 of this act.

(f) Economic development.

(1) In fiscal year 2024, the amount of $5,000,000 is appropriated from the General Fund to the Agency of Commerce and Community Development for the Vermont Training Program to fulfill Vermont's obligation to procure incentives in accordance with the Creating Helpful Incentives to Produce Semiconductors for America (CHIPS) Act.

(2) In fiscal year 2024, the amount of $1,250,000 is appropriated from the General Fund to the Agency of Commerce and Community Development for a grant to the regional development corporations to provide small- and mid-sized businesses with professional and technical assistance.

(3) In fiscal year 2024, the amount of $72,000 is appropriated from the General Fund to the Vermont Council on the Arts to provide a State match for National Endowment for the Arts funding to enable the Council to continue its work boosting the creative economy in Vermont.

(4) In fiscal year 2024, the amount of $8,000,000 General Fund is appropriated to the Department of Economic Development for Brownfields redevelopment consistent with Sec. F.5 of this act.

(5) In fiscal year 2024, the amount of $1,000,000 General Fund is appropriated to the Department for Children and Families to augment service support funding in the Reach Up program.

(6) In fiscal year 2024, the amount of $90,000 is appropriated from the General Fund to the Agency of Commerce and Community Development for a subgrant to the Vermont Sustainable Jobs Fund to expand its Business Coaching program to work with a group of existing energy services businesses interested in adopting a climate-centered mission and working with trades persons looking to start their own climate-centered business.

(g) Agriculture Economic Development

(1) In fiscal year 2024, the amount of $1,000,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets for the Working Lands Enterprise grant program.

(2) In fiscal year 2024, $2,300,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fund Agriculture Development Grants for meat, produce, and maple processing. The Secretary of Agriculture, Food and Markets shall determine that there are significant interests in establishing certain parameters in the grant program before making an award. Grants should be awarded to farmers, processors, and businesses, which shall not include hydroponic operations. Furthermore, the Secretary shall not allocate more than 25 percent of grant funds toward the maple industry. Of the funds appropriated under this subdivision, an amount not to

exceed $125,000 may be used by the Agency of Agriculture, Food and Markets to support the cost of temporary employees to administer the grants.

(3) In fiscal year 2024, the amount of $6,900,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fund Agriculture Development Grants for the Organic Dairy Farm Assistance Program.

(4) In fiscal year 2024, the amount of $300,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets for a grant to the Vermont Sustainable Jobs Fund as follows:

(A) $100,000 to the Independent Retail Grocers Project; and

(B) $200,000 to the Beef on Dairy Project.

(5) In fiscal year 2024, $150,000 General Fund is appropriated to the Vermont Housing and Conservation Board for the establishment by the Farm Viability Program of a pilot program to award a grant for the use of virtual fences, solar powered collars, and solar powered transmitters to control livestock. As used in this section, "livestock" means cattle, horses, sheep, swine, and goats.

(6) In fiscal year 2024, $415,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets to fully fund the Dairy Risk Management Assistance Program for farmers who enroll in calendar year 2023. These funds are in addition to the unexpended funds appropriated under 2022 Acts and Resolves No. 83, Sec. 68 to implement the Dairy Risk Management Assistance Program.

(7) In fiscal year 2024, $150,000 General Fund is appropriated to the Agency of Agriculture, Food and Markets for the Small Farmer Diversification and Transition Program. The Agency staff who support the Working Lands Enterprise Board shall administer the Program and provide small farmers in Vermont with State financial assistance in the form of grants.

(A) Program applicants shall:

(i) be a small farmer and not permitted as a medium farm or large farm at the time of application.

(ii) have a proposed plan for diversification or transition that includes possible markets for the proposed product and probable income; and

(iii) demonstrate to the Agency that there is potential from the proposed diversification or transition to create additional income for the applicant.

(B) Small Farmer Diversification and Transition Program grants shall be used for costs of:

(i) diversifying the farm products produced by the applicant;

(ii) transitioning the applicant from one form of farming to another;

(iii) processing of farm products on the farm owned or controlled by the applicant; and

(iv) development of an accessory on-farm business by the applicant.

(C) The Working Lands Enterprise Board shall not require applicants for a Small Farmer Diversification and Transition Program grant to provide a match or to pay a minimum percentage of eligible project cost for which the grant is proposed for use.

(D) The Secretary and the Working Lands Enterprise Board shall provide public notice of the availability of grants from the Small Farmer Diversification and Transition Program as separate from the Working Lands Enterprise Board's traditional grants. The Secretary shall publicize the Small Farmer Diversification and Transition Program grants in newsletters, press releases, e-mail, and other communications from the Agency of Agriculture, Food and Markets.

(E) As used in this subdivision B.1101(g)(7), "small farmer" means any person who:

(i) is engaged in "farming" as that term is defined in 10 V.S.A. § 6001(22), regardless of the size of the parcel, and whose gross income from the sale of the farm products equals at least one-half of the farmer's annual gross income; or

(ii) a small farm subject to the Required Agricultural Practices.

Sec. B.1101.1 TRUTH AND RECONCILIATION COMMISSION

(a) In fiscal year 2024, $240,000 General Fund is appropriated to the Truth and Reconciliation Commission. These funds, in combination with carryforward funds shall provide fiscal year 2024 funding for the Commission's activities.

* * * Affordable Housing * * *

Sec. B.1102 AFFORDABLE HOUSING DEVELOPMENT – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, the amount of $10,000,000 General Fund is appropriated to the Department of Housing and Community Development for the Vermont Rental Housing Improvement Program established in 10 V.S.A. § 699.

(b) In fiscal year 2024, the amount of $300,000 General Fund is appropriated to the Department of Housing and Community Development for a grant to the Vermont Association of Planning and Development Agencies for the purpose of hiring Housing Navigators.

(c) In fiscal year 2024, the amount of $50,000,000 General Fund is appropriated to the Vermont Housing and Conservation Board (VHCB):

(1) $10,000,000 to provide support and enhance capacity for emergency shelter and permanent homes for those experiencing homelessness. The funds shall be used to expand Vermont's shelter capacity, provide homes for those experiencing homelessness, and decrease reliance on the General Assistance Emergency Housing hotel and motel program. The Vermont Housing and Conservation Board shall consult with the Agency of Human Services to ensure new investments in homes and shelters are paired with appropriate support services for residents, including services supported through Medicaid. Funded projects may utilize a range of housing options, including the expansion of shelter capacity, the conversion of hotels to housing, creation of permanent supportive housing, and utilization of manufactured homes on infill sites.

(2) $40,000,000 to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing and homeownership units, including improvements to manufactured homes and communities, permanent homes for those experiencing homelessness, recovery residences, and housing available to farm workers and refugees. The Board is authorized to utilize up to 10 percent of these resources for innovative approaches to helping communities meet their housing needs.

* * * Climate and Environment * * *

Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, the amount of $700,000 General Fund is appropriated to the Agency of Natural Resources – Central Office for refrigerant management. Funds shall be used for incentives to improve or replace commercial and industrial refrigeration systems with the goal of reducing the use of high global warming potential (GWP) refrigerants.

(b) In fiscal year 2024, the amount of $900,000 General Fund is appropriated to the Agency of Natural Resources – Climate Action Office for

technical analyses, tools, and training. Funds shall be used for investments in ongoing evaluation, implementation support and tracking of the impact of programs, and policy approaches needed to reduce greenhouse gas emissions and improve landscape-level resilience consistent with the Global Warming Solutions Act.

(c) In fiscal year 2024, the amount of $2,000,000 General Fund is appropriated to the Department of Public Service for the School Heating Assistance with Renewables and Efficiency Program (SHARE) to assist Title I eligible schools in repairing or renovating their existing wood chip or pellet heating systems or to install new wood chip or pellet heating systems.

(d) In fiscal year 2024, the amount of $150,000 General Fund is appropriated to the Department of Fish and Wildlife for Wildlife Crop Damage Payments. Funds shall be used for payments to farmers under the provisions of 10 V.S.A. § 4829.

(e) In fiscal year 2024, the amount of $500,000 General Fund is appropriated to the Department of Forests, Parks and Recreation for Parks personnel housing. Funds shall be used to renovate, remediate, and expand on-site housing opportunities, including installation of full hook-ups for RVs; splitting existing staff housing into multiple units; and making critical (health and safety) repairs to the existing housing stock for Vermont State Parks staff in critical locations statewide.

(f) In fiscal year 2024, the amount of $1,000,000 General Fund is appropriated to the Department of Forests, Parks and Recreation for Small Communities Outdoor Recreation Grant matching funds. Funds shall be used to support Vermont communities by providing State match funds for federal recreation grants.

(g) In fiscal year 2024, the amount of $500,000 General Fund is appropriated to the Department of Forests, Parks and Recreation for emerald ash borer mitigation and low income heating assistance. Funds shall be used to remove high-risk ash trees on Department of Forests, Parks and Recreation lands and provide free firewood to households with low income.

(h) In fiscal year 2024, the amount of $2,500,000 General Fund is appropriated to the Department of Environmental Conservation for the Brownfields Reuse and Environmental Liability Limitation Act as codified in 10 V.S.A. chapter 159. Funds shall be used for the assessment and cleanup planning for a maximum of 25 brownfields sites.

(i) In fiscal year 2024, the amount of $600,000 General Fund is appropriated to the Department of Environmental Conservation for the

Emissions Repair Program. Funds shall be used for the Emissions Repair Program established by 2021 Acts and Resolves No. 55, Sec. 25 for fiscal years 2024 through 2026.

(j) In fiscal year 2024, the amount of $6,100,000 American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds is appropriated to the Department of Environmental Conservation for the Healthy Homes Initiative. Funds shall be used to make repairs or improvements to drinking water, wastewater, or stormwater systems for Vermonters who have low to moderate income or who live in manufactured housing communities, or both.

(k) In fiscal year 2024, the amount of $1,000,000 General Fund is appropriated to the Department of Environmental Conservation for Polyfluoroalkyl Substances (PFAS) technical assistance. Funds shall be used to support statewide groundwater Polyfluoroalkyl Substances (PFAS) remediation efforts.

(l) In fiscal year 2024, the amount of $5,000,000 Environmental Contingency Fund #21275 is appropriated to the Department of Environmental Conservation for statewide Polyfluoroalkyl Substances (PFAS) groundwater remediation.

(m) In fiscal year 2024, the amount of $850,000 Transportation Fund is appropriated to the Agency of Transportation for a grant to Green Mountain Transit to operate routes on a zero-fare basis and prepare for the transition to tiered-fare service.

* * * Retired Teachers' One-time COLA Payment * * *

Sec. B.1104 FISCAL YEAR 2024 ONE-TIME APPROPRIATION; RETIRED TEACHERS' COST OF LIVING PAYMENT

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of $3,000,000 is appropriated to the Vermont State Teachers' Retirement System from the Education Fund for Calendar Year 2023 supplemental payments made in Sec. E.514.2(b) of this act and associated costs.

* * * Cash Fund for Capital and Essential Investments * * *

Sec. B.1105 CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS – FISCAL YEAR 2024 ONE-TIME APPROPRIATIONS

(a) In fiscal year 2024, $17,685,000 is appropriated from the Capital Infrastructure sub account in the Cash Fund for Capital and Essential Investments for the following projects:

(1) $400,000 is appropriated to the Department of Buildings and General Services for planning, reuse, and contingency;

(2) $1,700,000 is appropriated to the Department of Buildings and General Services for roof replacement and brick façade repairs at the McFarland State Office Building in Barre;

(3) $135,000 is appropriated to the Department of Buildings and General Services for 32 Cherry Street, parking garage repairs;

(4) $1,000,000 is appropriated to the Department of Buildings and General Services for roof replacement at the Central Services complex in Middlesex;

(5) $150,000 is appropriated to the Department of Buildings and General Services for design documents for the State House expansion in Montpelier;

(6) $1,000,000 is appropriated to the Department of Buildings and General Services for the renovation of the interior HVAC steam lines at 120 State Street;

(7) $600,000 is appropriated to the Department of Buildings and General Services for planning for the boiler replacement at the Northern State Correctional Facility in Newport;

(8) $750,000 is appropriated to the Department of Buildings and General Services for planning for renovations to the administration building, West Cottage, at the Criminal Justice Training Council in Pittsford;

(9) $600,000 is appropriated to the Department of Buildings and General Services for the Agency of Human Services for the planning and design of the booking expansion at the Northwest State Correctional Facility;

(10) $1,000,000 is appropriated to the Department of Buildings and General Services for the Agency of Human Services for the planning and design of the Department for Children and Families' short-term stabilization facility;

(11) $750,000 is appropriated to the Department of Buildings and General Services for the Judiciary for renovations at the Washington County Superior Courthouse in Barre;

(12) $250,000 is appropriated to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Special Teams Facility and Storage;

(13) $250,000 is appropriated to the Department of Buildings and General Services for the Department of Public Safety for the planning and design of the Rutland Field Station;

(14) $300,000 is appropriated to the Department of Buildings and General Services for the Agency of Agriculture, Food and Markets for the planning and design of the Vermont Agriculture and Environmental Laboratory Heat Plant;

(15) $1,000,000 is appropriated to the Department of Buildings and General Services for electric vehicle charging stations at State buildings;

(16) $4,000,000 is appropriated to the Agency of Natural Resources for the Department of Environmental Conservation for the Municipal Pollution Control Grants for pollution control projects and planning advances for feasibility studies;

(17) $3,000,000 is appropriated to the Agency of Natural Resources for the Department of Forests, Parks and Recreation for the maintenance facilities at the Gifford Woods State Park and Groton State Forest; and

(18) $800,000 is appropriated to the Agency of Natural Resources for the Department of Fish and Wildlife for infrastructure maintenance and improvements of the Department's buildings, including conservation camps.

(b) In fiscal year 2024, $31,025,000 is appropriated from the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments for the following projects. This funding is provided by the General Fund transfer in Sec. D.101 of this act.

(1) $9,800,000 is appropriated to the Agency of Natural Resources for the Department of Environmental Conservation for the State match to the Infrastructure Investment and Jobs Act for the Drinking Water State Revolving Fund and the Clean Water State Revolving Fund;

(2) $4,500,000 is appropriated to the Agency of Natural Resources for the Department of Environmental Conservation for the Waterbury Dam rehabilitation;

(3) $7,500,000 is appropriated to the Vermont State Colleges for construction, renovation, and major maintenance at any facility owned or operated in the State by the Vermont State Colleges; infrastructure transformation planning; and the planning, design, and construction of Green Hall and Vail Hall; and

(4) $9,225,000 is appropriated to the Department of Mental Health for construction of a psychiatric youth inpatient facility in the State.

(c) In fiscal year 2024, $3,000,000 as appropriated in Sec. B.903 – Transportation – program development of this act from the Cash Fund for Capital and Essential Investments is for projects as specified in the State transportation plan.

(d) In fiscal year 2024, to the extent funds are available from transfers made in Sec. C.109 of this act, the projects in this subsection (d) shall receive an appropriation from the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments in the following order:

(1) $1,000,000 is appropriated to the Department of Mental Health for a grant to Pathways Vermont for the purchase and renovation of a building to serve as a permanent home for the Soteria House program.

(A) Prior to issuing the grant, the Commissioner of Mental Health, with the assistance of the Secretary of Human Services and Commissioner of Buildings and General Services, shall review the accuracy and comprehensiveness of the financial analysis of the Pathways Vermont proposal to purchase specified property and operate the Soteria House program.

(B) An accounting of the respective State and Pathways Vermont shares of investment in this property shall be maintained in order to refund to the State an appropriate share of any net proceeds resulting from future divestiture of the property.

(2) $1,000,000 is appropriated to the Department of Housing and Community Development for a grant to the Vermont Housing Finance Agency for its first generation homebuyer program.

(3) $10,000,000 is appropriated to the Department of Housing and Community Development for a grant to the Vermont Housing Finance Agency to provide capitalization of revolving loan fund for the development of 'missing middle' rental housing.

(4) $1,000,000 is appropriated to the Agency of Transportation for rail trail grants.

(5) $5,000,000 is appropriated to the Department of Economic Development for the Rural Industry Development Grant Program as established in this act.

(6) $3,500,000 is appropriated to the Agency of Transportation for the Saint Albans garage replacement project.

(e) If a project described in this section has received an appropriation prior to the effective date of this act and is not in compliance with the requirements

of 29 V.S.A. § 161, then the project shall not be subject to the requirements of 29 V.S.A. § 161 if any of the following apply as of the effective date of this act:

(1) the project has been invited or advertised for bid;

(2) the project is under contract; or

(3) the funds are obligated.

* * * Fiscal Year 2023 Adjustments, Appropriations, and Amendments * * *

Sec. C.100 FISCAL YEAR 2023 GENERAL FUND UNALLOCATED CARRYFORWARD

(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 $337,449,200 of remaining unreserved and undesignated funds at the close of fiscal year 2023 shall remain in the General Fund and be carried forward to fiscal year 2024.

Sec. C.100.1 2022 Acts and Resolves No. 185, Sec. D.101 as amended by 2023 Acts and Resolves No. 3, Sec. 48 is further amended to read:

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

* * *

(b) Notwithstanding any provision of law to the contrary, in fiscal year 2023:

* * *

(2) Notwithstanding any other laws related to these special fund balances, the following estimated amounts, which may be all or a portion of unencumbered fund balances, may be transferred from the following funds to the General Fund upon determination of the Commissioner of Finance and Management that such transfers are integral for the financial closure of the fiscal year. The Commissioner 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.

21638	AG-Fees & reimbursement – Court order		$2,000,000
21928	Secretary of State Services Funds		$1,200,000
62100	Unclaimed Property Fund	~~$4,442,485~~	$6,691,685

Combined estimate for 21075 Insurance Regulatory and Supervision Fund, 21805 Captive Insurance Regulatory and Supervision Fund, 21080 Regulatory and Supervision Fund $58,564,476

* * *

Sec. C.101 2023 Acts and Resolves No. 3 Sec. 106(b) is amended to read:

(b) ~~$290,000~~ $1,290,000 of the funds appropriated to the Justice Reinvestment II in fiscal year 2023 are for the Department's Offender Management System (OMS) intelligence layer consistent with the actions of the Joint Legislative Justice Oversight Committee.

Sec. C.102 2021 Acts and Resolves No. 74, Sec. E.335, as amended by 2022 Acts and Resolves No. 83, Sec. 62, and 2022 Acts and Resolves No. 185, Sec. C.111 is further amended to read:

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS TRANSFER; JUSTICE REINVESTMENT; REPORT

* * *

(c) Any funds ~~expended~~ authorized to be used on ~~community-based service programs~~ justice reinvestment programs pursuant to subsection (b) of this section ~~shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount~~ may be carried forward over multiple fiscal years until fully expended.

Sec. C.103 2022 Acts and Resolves No. 185, Sec. E.335 is amended to read:

Sec. E.335 CORRECTIONS APPROPRIATIONS; UNEXPENDED FUNDS TRANSFER; JUSTICE REINVESTMENT; REPORT

* * *

(c) ~~Any funds expended on community-based service programs pursuant to subsection (b) of this section shall be included in the subsequent year Department of Corrections budget for the same purpose at the same amount~~. [Repealed.]

Sec. C.104 DEPARTMENT OF ENVIRONMENTAL CONSERVATION ARPA-SFR PROJECT FUNDS REVERSION

(a) $1,100,000 of the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds appropriated to the Department of Environmental Conservation in 2021 Acts and Resolves No. 74, Sec. G.501(a)(2) shall revert

to the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds for reallocation in fiscal year 2024.

Sec. C.105 32 V.S.A. § 1001b is amended to read:

§ 1001b. CASH FUND FOR CAPITAL ~~EXPENDITURE CASH FUND~~ AND ESSENTIAL INVESTMENTS

(a) Creation. There is hereby created the ~~Capital Expenditure~~ Cash Fund for Capital and Essential Investments to be administered by the Commissioner of Finance and Management, in consultation with the State Treasurer~~, for the purpose of using general funds~~. The Fund shall have the following two subaccounts:

(1) the Capital Infrastructure subaccount, to defray the costs of future capital expenditures that would otherwise be authorized in the capital construction act and paid for using the State's general obligation bonding authority and debt service obligations or paid for as a direct associated cost of a capital project; and

(2) the Other Infrastructure, Essential Investments, and Reserves subaccount, to fund essential investments and infrastructure needs, create reserves for these expenditures and make contingent appropriations for other infrastructure investments, as authorized by the General Assembly.

(b) Fund Accounts. ~~The Fund may consist of:~~

(1) Capital Infrastructure subaccount. The Capital Infrastructure subaccount may consist of:

(A) transfers made by the General Assembly of four percent or less of the last completed fiscal year's General Fund appropriations, less the amount necessary to fund the State's general obligation debt service in the year for which the transfer is being made, as determined by the State Treasurer and the Commissioner of Finance and Management; and

(B) any interest earned by the subaccount.

(2) Other Infrastructure, Essential Investments, and Reserves subaccount. The Other Infrastructure, Essential Investments, and Reserves subaccount may consist of any appropriations or transfers made by the General Assembly~~;~~ from the General Fund or any other State fund and

~~(2) any interest earned by the Fund.~~ any contingent transfers made by the General Assembly from the General Fund after satisfying the requirements of 32 V.S.A. § 308 but prior to satisfying the requirements of 32 V.S.A. § 308c in any fiscal year and any contingent transfers made by the General Assembly from other State funds.

(c) Use of funds. ~~Expenditure shall only be made from the Fund by appropriations by the General Assembly. Plans for use shall be submitted as part of the operating budget adjustment or operating budget process.~~ Monies in the Fund Accounts shall only be used ~~for~~ as follows:

(1) ~~costs associated with a proposed capital project that occur prior to the construction phase of that project, including feasibility, planning, design, and engineering and architectural costs;~~ Expenditures shall only be made by the General Assembly from the Capital Infrastructure subaccount for:

(A) tangible capital investments, as described in section 309 of this title, with an anticipated lifespan of 20 years or more; and

(B) engineering and architectural costs directly associated with a proposed capital project.

(2) ~~projects with an anticipated lifespan of less than 20 years;~~ Expenditures shall only be made by the General Assembly from the Other Infrastructure, Essential Investments, and Reserves subaccount for:

(A) any expenditure eligible under subdivision (1) of this subsection (c); and

(B) any other essential investments and infrastructure needs, including transportation-related projects and capitalization of revolving loan funds.

~~(3) costs associated with the early redemption of general obligation bonds; and~~

~~(4) other eligible capital projects receiving an appropriation from the General Assembly.~~

(d) Fund balance. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain part of the Fund accounts. Notwithstanding 32 V.S.A. § 511, the Commissioner of Finance and Management shall not anticipate receipts for the Fund accounts and issue warrants thereon.

(e) ~~Early redemption transfer. If any expenditures are made from the Fund or the General Assembly appropriates general funds to pay for the early redemption of general obligation bonds pursuant to subdivision (c)(3) of this section, then an amount equal to the reduction in debt service required in any fiscal year resulting from that redemption shall be transferred to the Fund~~ Spending authority. Any entity authorized to make expenditures from the Capital Infrastructure subaccount shall have not more than two years from the legislative session in which the act authorizing the expenditure was enacted to

encumber the funds. Any remaining unencumbered funds shall remain part of the Fund account.

Sec. C.106 29 V.S.A. § 161 is amended to read:

§ 161. REQUIREMENTS ON STATE CONSTRUCTION PROJECTS

* * *

(b) Each contract awarded under this section for any State project with a construction cost exceeding $100,000.00 ~~or,~~ a construction project with a construction cost exceeding $200,000.00 ~~which~~ that is authorized and ~~is~~ at least 50 percent funded by a capital construction act pursuant to 32 V.S.A. § 701a, or a construction project with a construction cost exceeding $200,000.00 that is at least 50 percent funded by the Cash Fund for Capital Infrastructure and Other Essential Investments established in 32 V.S.A. § 1001 shall provide that all construction employees working on the project shall be paid ~~no~~ not less than the mean prevailing wage published periodically by the Vermont Department of Labor in its occupational employment and wage survey plus an additional fringe benefit of 42 and one-half percent of wage, as calculated by the current Vermont prevailing wage survey. As used in this section, "fringe benefits" means benefits, including paid vacations and holidays, sick leave, employer contributions and reimbursements to health insurance and retirement benefits, and similar benefits that are incidents of employment.

(c) In the construction of any State project, local capable labor shall be utilized whenever practicable, but this section shall not be construed to compel any person to discharge or lay off any regular employee.

(d) Subsections (a) through (c) of this section shall not apply to maintenance or construction projects carried out by the Agency of Transportation and by the Department of Forests, Parks and Recreation.

* * *

Sec. C.107 32 V.S.A. § 1001 is amended to read:

§ 1001. CAPITAL DEBT AFFORDABILITY ADVISORY COMMITTEE

* * *

(c) Committee estimate of a prudent amount of net State tax-supported debt; affordability considerations. On or before September 30 of each year, the Committee shall submit to the Governor and the General Assembly the Committee's estimate of net State tax-supported debt that prudently may be authorized for the next fiscal year, together with a report explaining the basis for the estimate. The Committee's estimate shall not take into consideration the balance remaining at the end of each fiscal year in the subaccounts of the

Cash Fund for Capital and Essential Investments, established pursuant to section 1001b of this title. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. In developing its annual estimate, and in preparing its annual report, the Committee shall consider:

* * *

Sec. C.108 RESERVES FOR INFRASTRUCTURE INVESTMENT AND JOBS ACT (IIJA) MATCH

(a) In fiscal year 2023, the Cash Fund for Capital and Essential Investments initial balance amount of $25,000,000 is reserved in the Other Infrastructure, Essential Investments, and Reserves subaccount to provide the State match in fiscal years 2025 and 2026 needed for federal funding for transportation related projects under the IIJA. These funds shall only be expended if authorized by the General Assembly.

(b) To the extent available in fiscal years 2023 and 2024, the amount of $14,500,000 is reserved in the Other Infrastructure, Essential Investments, and Reserves subaccount of the Cash Fund for Capital and Essential Investments to provide the State match in fiscal years 2025 and 2026 needed for federal funding for water and wastewater related projects under the IIJA. These funds shall only be expended if authorized by the General Assembly.

Sec. C.109 SUPPLEMENTAL CONTINGENT TRANSFERS TO CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS

(a) Notwithstanding any other law to the contrary, to the extent any fund specified in 2022 Acts and Resolves No. 185, Sec. D.101(b)(2) as amended by 2023 Acts and Resolves No. 3, Sec. 48 has an unobligated fund balance in fiscal year 2023, the Commissioner of Finance and Management shall transfer to the subaccount created under 32 V.S.A. 1001b(b)(2) the respective fiscal year 2023 unobligated special fund balances. The Commissioner shall report the amounts transferred pursuant to this provision to the Joint Fiscal Committee in July 2023.

(b) To the extent available in fiscal year 2023, $22,500,000 shall be transferred from the General Fund to the Cash Fund for Capital and Essential Investments pursuant to the provisions of 32 V.S.A. § 1001b(b)(2).

Sec. C.110 2022 Acts and Resolves No. 183, Sec. 51a is amended to read:

Sec. 51a. COVID-19-RELATED PAID LEAVE GRANT PROGRAM

(a) Establishment and appropriation.

(1) There is established in the Department of Financial Regulation the COVID-19-Related Paid Leave Grant Program to administer and award grants to employers to reimburse the cost of providing COVID-19-related paid leave to employees as provided in subsection (e) of this section.

(2) The sum of ~~$15,180,000~~ $5,000,000 is appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department of Financial Regulation for fiscal years 2023 and 2024 for the provision of grants to reimburse employers for the cost of providing COVID-19-related paid leave. ~~Not more than seven percent of the amount appropriated pursuant to this subdivision may be used for expenses related to Program administration and outreach.~~

* * *

(c) Grant program.

* * *

(3)(A) Employers may submit applications for grants during the period beginning on October 1, 2022 and ending on September 30, 2023 and may submit an application not more than once each calendar quarter during that period. Grant applications shall be submitted for paid leave provided during the preceding calendar quarter and, subject to subdivision (B) of this subdivision (3), for calendar quarters in the program period prior to the preceding calendar quarter.

(B) An employer shall be permitted to request grant funds for costs related to COVID-19-related paid leave described in subsection (e) of this section in a calendar quarter prior to the preceding calendar quarter if:

(i) the employer has not already received grant funds in relation to the COVID-19-related leave; and

(ii) the costs of the COVID-19-related leave are eligible for a grant pursuant to the provisions of this section and any applicable federal requirements.

(4) An employer may combine grant funds with funding from other sources but shall not use grant funds from multiple sources for the same instance of paid leave provided to its employees for COVID-19-related reasons. As used in this subdivision, an "instance" means a calendar day in which the employee was absent from work for a COVID-19-related reason.

* * *

(6) Grants shall be awarded to eligible employers on a first-come, first-served basis, subject to available funding.

* * *

(e) Amount of grants.

(1) Employers may, subject to the limitations of subdivision (2) of this subsection, apply for grants to ~~either~~ reimburse the cost of COVID-19-related paid leave provided to employees ~~or to provide funds to be used to pay the cost to retroactively provide paid leave to employees who took unpaid leave for COVID-19-related reasons~~.

~~(A) For reimbursement of COVID-19-related paid leave that was already provided, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant~~ in an amount equal to the number of hours of COVID-19-related paid leave provided to each employee multiplied by the greater of either the minimum wage established pursuant to 21 V.S.A. § 384 or the employee's regular hourly wage.

~~(B) For COVID-19-related paid leave that will be provided retroactively to employees who took unpaid leave for COVID-19-related reasons, the employer may, subject to the limitations of subdivision (2) of this subsection (e), apply for a grant in an amount equal to the number of hours of COVID-19-related paid leave to be provided to each employee multiplied by the greater of either the minimum wage established pursuant to 21 V.S.A. § 384 or the employee's regular hourly wage.~~

* * *

Sec. C.111 2021 Acts and Resolves No. 74, Sec. E.709.1, as amended by 2022 Acts and Resolves No. 166, Sec. 8, is amended to read

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, ~~2025~~ 2027.

Sec. C.112 FUNDING OF POLYCHLORINATED BIPHENYLS (PCB) REMEDIATION AND REMOVAL IN SCHOOLS

(a) Education Fund; PCB appropriations. Notwithstanding 2022 Acts and Resolves No. 178, Sec. 2(b):

(1) the funds reserved within the Education Fund for purposes of investigation, remediation, and removal of PCBs from schools are unreserved; and

(2) the unexpended or unobligated amount of the $2,500,000 transferred by the Emergency Board to the Agency of Education for PCB remediation shall revert to the Education Fund for further allocation.

(b) Agency of Education; PCB remediation and removal reimbursement. Notwithstanding 16 V.S.A. § 4025(d), $29,500,000 and the unexpended funds identified under subdivision (a)(2) of this section shall be appropriated from the Education Fund to the Agency of Education in fiscal year 2024 for the following purposes:

(1) Grants to schools in the State that are required to conduct investigation, remediation, or removal of PCB contamination in the school after Agency of Natural Resources testing but have not received a grant from the Agency of Education for the costs of investigation, remediation, or removal. The grants shall be in an amount sufficient to pay for 100 percent of the school's investigation, remediation, or removal costs required by the Agency of Natural Resources Investigation and Remediation of Contaminated Properties Rule, including the costs incurred, when necessary, under State or federal law to relocate students to a facility during remediation or removal activities.

(2) Grants to schools in the State that conducted investigation, remediation, or removal of PCBs in the school after Agency of Natural Resources testing and received a grant for 80 percent of the costs of remediation or removal from the Agency of Education. The grants under this subdivision (2) shall be in an amount that will reimburse the school for any remediation or removal costs not paid by the Agency of Natural Resources.

(3) A grant to the Burlington School District to reimburse the school district for the actual cost of demolition and removal of PCB contamination at Burlington High School, not to exceed $16,000,000.

(c) Reimbursement. If a school district in the State recovers money from litigation or other award for work covered under a grant issued under this section, the school district shall reimburse the State the amount of the recovery or the amount of the grant awarded to the school district under subsection (b) of this section, whichever amount is less. Any reimbursed monies shall be

deposited into the Education Fund and reserved for use for school construction as approved by the General Assembly.

(d) State action. The State may recover from a manufacturer of PCBs monies expended or awarded by the State for PCB investigation, testing, assessment, remediation, or removal of PCBs in a school above the relevant action level.

Sec. C.113 2022 Acts and Resolves No. 172, Sec. 8 is amended to read:

Sec. 8. MUNICIPAL ENERGY REVOLVING FUND; ~~FY 2023 APPROPRIATION~~ TRANSFER; REPORT

(a) ~~In FY 2023,~~ Upon receipt of the following federal funds and to the extent permitted by federal law, the following amounts shall be transferred to the Department of Buildings and General Services from the Department of Public Service for the Municipal Energy Revolving Fund, as established in 29 V.S.A. § 168b:

* * *

Sec. C.114 PUBLIC SAFETY COMMUNICATIONS SYSTEM; DISPATCH; INVENTORY; DESIGN

(a) The General Assembly finds that protecting public safety and welfare is an essential function of State government and it is in the public interest to establish a statewide reliable, secure, and interoperable public safety communications system, comprising integrated 911 call-taking and regional dispatch systems, and to ensure that the system is equitably and sustainably financed and universally accessible by all persons throughout the State.

(b) It is not the intent of the General Assembly to establish a public safety communications system that disrupts or in any way jeopardizes the exceptional dispatch services currently in place or the existing 911 system, but rather to support, enhance, strengthen, and build upon those efforts and initiatives.

(c) The transition to a public safety communications system as specified in subsection (a) of this section shall be overseen and managed by the temporary Public Safety Communications Task Force established in subsection (d) of this section.

(d)(1) There is established a Public Safety Communications Task Force to oversee and manage all phases of the development, design, and implementation of a statewide public safety communications system as required by this section.

(2) The Task Force shall consist of seven members as follows:

(A) the Executive Director of the Enhanced 911 Board, who shall serve as Co-Chair;

(B) the Commissioner of Public Safety or designee, who shall serve as Co-Chair;

(C) one municipal official appointed by the Executive Director of the Vermont League of Cities and Towns;

(D) one representative from a public safety answering point overseen by a municipal police department appointed by the Vermont Association of Chiefs of Police;

(E) one emergency medical technician or paramedic appointed by the Vermont State Ambulance Association;

(F) one firefighter appointed by the Vermont State Firefighters' Association; and

(G) the Chair of the Regional Dispatch Working Group established by the General Assembly in Act 185 of 2022.

(3) At its initial organizational meeting the Task Force shall elect from among its members a vice chair. Meetings may be held at the call of a Co-Chair or at the request of two members. A majority of sitting members shall constitute a quorum, and action taken by the Task Force may be authorized by a majority of the members present and voting. Except for those members regularly employed by the State, members are entitled to a per diem in the amount of $150 for each day spent in the performance of their duties. All members, including members otherwise regularly employed by the State, shall receive their actual and necessary expenses when away from home or office upon their official duties pursuant to this section. A vacancy shall be filled by the respective appointing authority. If the Chair of the Regional Dispatch Working Group declines to participate as a member of the Task Force, the Task Force shall appoint one member who shall have expertise relevant to the purposes of this section.

(4) The Task Force is authorized to retain a project manager and one or more additional consultants with relevant expertise in public safety communications technology, design, and financing to assist with the requirements of this section.

(5) The Department of Public Safety shall provide the Task Force with administrative services and support.

(6)(A) The Task Force, in consultation with the Secretary of Administration, shall develop procedures and best practices for State agency cooperation and coordination on matters of overlapping jurisdiction. The

primary purpose of this subdivision is to ensure the Task Force has access to expertise and data related to its mission, including expertise within and data maintained by the Department of Public Service, the Agency of Digital Services, the Division of Emergency Preparedness, Response and Injury within the Department of Health, the Department of Taxes, the Agency of Transportation, the Enhanced 911 Board, and the Department of Public Safety.

(B) Nothing in this subdivision shall be construed to waive any privilege or protection otherwise afforded information by law due solely to the fact that the information is shared with the Task Force pursuant to this subdivision.

(7) All meetings of the Task Force shall be open to the public and conducted in accordance with the Vermont Open Meeting Law. All records of the Task Force are subject to the Vermont Public Records Act.

(8) The Task Force shall cease to exist when a State entity authorized by legislative enactment to permanently oversee and manage the public safety communications system becomes operational.

(e) The establishment of a statewide public safety communications system shall occur in essentially three phases, which include data collection and analysis, design, and implementation. Certain aspects of each phase may occur simultaneously as deemed appropriate by the Task Force.

(1) Data collection and analysis. On or before September 15, 2024, the Task Force shall conduct a complete inventory and assessment of all aspects of dispatch service currently provided in Vermont and, to the extent possible, dispatch service currently provided outside Vermont for response agencies located in Vermont, which shall include:

(A) an inventory of all existing dispatch infrastructure and equipment, including facilities, hardware, software, applications, and land mobile radio systems, referring to and incorporating any existing relevant data collected by a State or municipal entity;

(B) the number of full-time and part-time personnel currently performing dispatch service, taking into account personnel who have other responsibilities in addition to providing dispatch service;

(C) the current total spending on dispatch service in Vermont that includes and itemizes for each municipality and dispatch center all federal, State, and municipal appropriations and fees, every contract for dispatch or first responder service, and projected budgets;

(D) identification of the communications dead zones in the State, meaning those areas that lack the infrastructure to support public safety land-mobile-radio communications or cellular voice and data service, or both, and taking into consideration all cell towers, including those that are part of the FirstNet statewide public safety radio access network; cellular mapping efforts conducted by the Department of Public Service; and any existing, relevant mapping data collected by a dispatch center or other entity;

(E) with the assistance of the Vermont League of Cities and Towns, a needs assessment to determine where and to what extent there are gaps in dispatch service or significant challenges to the delivery of dispatch service and to identify those municipalities that are likely to be most affected by either the curtailment of dispatch service from the two State-run public safety answering points or from a new financing mechanism for the continuation of such service;

(F) an assessment of the service provided by each dispatch center and identification of particular challenges or vulnerabilities, if any, including with regard to workforce, failover procedures, communications technology, costs, and governance; and

(G) collection and assessment of any other information the Task Force deems relevant.

(2) Design. On or before January 15, 2024, the Task Force shall develop findings and recommendations related to draft elements of a preliminary design for a public safety communications system, including identification of a proposed implementation timeline and any additional data and resources needed to develop a final design on or before December 15, 2024. The final design shall include:

(A) technical and operational standards and protocols that ensure an interoperable and resilient system that incorporates computer-aided dispatch systems and land mobile radios;

(B) technology life-cycle standards to ensure system and database upgrades are timely, sufficiently financed, and properly managed;

(C) system and database security and cybersecurity standards;

(D) continuity of operations standards and best practices that encompass failover procedures and other system redundancies to ensure the continuous performance of mission-critical operations;

(E) workforce training standards and other staffing best practices that support the retention and well-being of dispatch personnel;

(F) a resource allocation plan that ensures dispatch service is available in all regions of the State, including the establishment of new dispatch centers or expanded capacity and capability of existing dispatch centers, if deemed appropriate by the Task Force;

(G) a process for annually reviewing the budgets of dispatch centers;

(H) a recommended governance model to ensure effective State and regional oversight, management, and continuous improvement of the system, including identification of staffing or operational needs to support such oversight and management of the system;

(I) cost estimates for implementing the system in Vermont, including operational and capital costs;

(J) options for sustainably and equitably structuring the financing of the public safety communications system, taking into consideration:

(i) existing budgets for regional and local dispatch;

(ii) the population, grand list, and call volume of each municipality;

(iii) existing and potential State funding streams;

(iv) available federal funding opportunities for public safety agencies and emergency communications systems, including equipment, network infrastructure, and services;

(v) financing models adopted in other jurisdictions for public safety communications systems; and

(vi) any other standards or procedures deemed necessary or appropriate by the Task Force.

(f)(1) If the Task Force determines that sufficient minimum technical and operational standards have been developed to warrant the funding of one or more pilot projects, the Task Force may submit for approval a pilot project plan to the Joint Fiscal Committee in calendar year 2023.

(2) Pilot projects eligible for funding under this subsection may include new regional dispatch centers or expanded capacity at existing regional dispatch centers, provided the Task Force determines the pilot demonstrates project readiness and is otherwise consistent with the standards and purposes of this section.

(3) In evaluating proposed pilot projects, the Task Force shall give a high priority to projects in geographical areas of the State that presently face significant challenges with respect to reliably providing dispatch service.

(4) The pilot project plan shall include a description of each proposed project, the resources needed, and an explanation of how the project will align with, inform, and further the development of a statewide public safety communications system and ensure transparency and accountability particularly with respect to the expenditure of State funds pursuant to this subsection.

(5) The Joint Fiscal Committee is authorized to approve up to $4,500,000.00 in total for pilot projects authorized by this subsection.

(g) On or before January 15, 2024, the Task Force shall submit a progress report on the data collection and analysis required by subdivision (e)(1) of this section, the findings and recommendations required by subdivision (e)(2) of this section, and a description and status report of any pilot projects funded pursuant to subsection (f) of this section in a written report to the Senate Committees on Government Operations and on Finance and the House Committees on Government Operations and Military Affairs, on Ways and Means, and on Environment and Energy. On or before December 15, 2024, the Task Force shall submit to the same legislative committees a written report containing its final design plan as required by subdivision (e)(2) of this section.

Sec. C.115 2022 Acts and Resolves No. 185, Sec. B.1100 is amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND APPROPRIATIONS

* * *

(b) $11,000,000 is appropriated from the General Fund to the Department of Public Safety for regional dispatch funding. The funds are subject to the following conditions:

(1) ~~$4,500,000 shall be held in reserve until the report required by Sec. E.209.1 of this act is submitted and further approval to expend the funds is granted by the General Assembly~~ Up to $1,000,000 shall be available for the retention of technical experts to assist the Task Force with the analysis and planning required by Sec. C.112 of this act and to fund the administrative expenses incurred by the Public Safety Communications Task Force. If the Task Force determines in calendar year 2023 that additional funding is necessary to achieve its purposes, it may submit a request to the Joint Fiscal Committee. The Joint Fiscal Committee is authorized to approve up to an additional $1,000,000.

(2) ~~$6,500,000 to provide grants to regional dispatch facilities upon approval of the Joint Fiscal Committee susbsequent to review of a Regional Dispatch Facility grant plan submited by the Commissioner of Public Safety. The plan shall include the extent to which federal funding sources may be available for regional dispatch~~ Up to $4,500,000 shall be available to provide funding for pilot projects pursuant to Sec. C.112(f), of this act.

(3) Any remaining amounts not obligated pursuant to subdivisions (1) and (2) of this subsection (b) shall be held in reserve until approval to expend the funds is authorized by further enactment of the General Assembly.

(4) It is the intent of the General Assembly that the Department of Public Safety seek to draw and deploy the $9,000,000 in Congressionally Directed Spending to support Vermont's transition to a modernized, regional communications network in a manner that coordinates with and advances the goals of a statewide public safety communications system. The Commissioner of Public Safety shall consult with the Public Safety Communications Task Force as the federal parameters for expending the funds become available and as the Commissioner develops a plan to expend such funds. In addition, the Commissioner shall update the Joint Fiscal Committee on planned expenditures.

* * *

Sec. C.116 VERMONT UNIVERSAL SERVICE FUND; JOINT FISCAL OFFICE STUDY

On or before January 15, 2024, the Joint Fiscal Office shall analyze options for changing the financing mechanism for the Vermont Universal Service Fund to ensure the long-term sustainability of the programs funded through the Vermont Universal Service Fund, including the Enhanced 911 system. The Joint Fiscal Office may consider and further refine the analysis and recommendations included in the Secretary of Administration's report related to the funding of Enhanced 911 operations, dated January 15, 2022, and required by 2021 Acts and Resolves No. 74, Sec. E.235.

Sec. C.117 ORGANIC DAIRY FARM ASSISTANCE PROGRAM

(a) The Agency of Agriculture, Food and Markets shall establish an organic dairy farm assistance program consistent with the requirements of this section.

(b) An organic dairy farm is eligible for assistance under this section if:

(1) the farm is currently operating as a dairy farm producing milk, either organic or conventional;

(2) the farm shipped organic milk or processed its own organic milk under the requirements of 6 V.S.A. chapter 151 during calendar year 2022 and provides documentation to the Agency of Agriculture, Food and Markets of the amount of organic milk shipped or processed during calendar year 2022 per hundredweight;

(3) the farm is in good standing with the Agency of Agriculture, Food and Markets; and

(4) the farm submits an application for assistance to the Agency of Agriculture, Food and Markets by a date specified by the Secretary of Agriculture, Food and Markets.

(c) The Agency of Agriculture, Food and Markets shall award eligible organic dairy farms financial assistance in the form of a grant in the amount of $5 per hundredweight of organic milk shipped or sold by the organic dairy farm in calendar year 2022. Once the Agency of Agriculture, Food and Markets determines that applications under this section are administratively complete, the Agency shall process applications for payment in their order of receipt. If all funds appropriated for implementation of this section are awarded by the Agency, no further awards shall be made. If any funds appropriated for implementation of this section remain after all timely applications are processed, the remaining funds shall be transferred to the Working Lands Enterprise Fund not later than December 31, 2023 for distribution by the Working Lands Enterprise Board under the Small Farmer Diversification and Transition Program.

Sec. C.118 2022 Acts and Resolves No.185, Sec. G.600(a)(2), as amended by 2023 Acts and Resolves No. 3, Sec. 67 is further amended to read:

(2) $35,000,000 to the Department of Public Service ~~to grant~~ to contract with Efficiency Vermont for the purpose of weatherization incentives to Vermonters with a moderate income. 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~~ this purpose through December 31, 2026. Households approved for assistance in this section will also be offered services outlined in subdivision (4) of this subsection.

Sec. C.119 2022 Acts and Resolves No. 182, Sec. 3, as amended by 2023 Acts and Resolves No. 3, Sec. 75 is further amended to read:

Sec. 3. MANUFACTURED HOME IMPROVEMENT AND REPLACEMENT PROGRAM

Of the amounts available from the American Rescue Plan Act (ARPA) recovery funds, ~~the following amounts are~~ $4,000,000 is appropriated to the

Department of Housing and Community Development for the purposes specified:

(1) ~~$2,500,000.00 for manufactured~~ Manufactured home community small-scale capital grants, through which the Department may award not more than $20,000.00 for owners of manufactured housing communities to complete small-scale capital needs to help infill vacant lots with homes, which may include projects such as disposal of abandoned homes, lot grading/preparation, site electrical box issues/upgrades, E911 safety issues, legal fees, transporting homes out of flood zones, individual septic system, and marketing to help make it easier for home-seekers to find vacant lots around the State.

(2) ~~$750,000.00 for manufactured~~ Manufactured home repair grants, through which the Department may award funding for minor rehab or accessibility projects, coordinated as possible with existing programs, for between 250 and 400 existing homes where the home is otherwise in good condition or in situations where the owner is unable to replace the home and the repair will keep them housed.

(3) ~~$750,000.00 for new~~ New manufactured home foundation grants, through which the Department may award not more than $15,000.00 per grant for a homeowner to pay for a foundation or HUD-approved slab, site preparation, skirting, tie-downs, and utility connections on vacant lots within manufactured home communities.

* * *

Sec. C.120 BALANCE RESERVE UNRESERVED; RESERVED FOR VCBB

(a) In fiscal year 2024, $20,000,000 is unreserved from the General Fund Balance Reserve established by 32 V.S.A. § 308c.

(b) In fiscal year 2024, $20,000,000 is reserved in the General Fund for the exclusive benefit of the Vermont Community Broadband Board and for the sole purpose of securing federal funding under the National Telecommunications and Information Administration's Enabling Middle Mile Broadband Infrastructure Program. The State's pending application requires a commitment to provide contingency reserve funding equal to 25percent of the total award amount if the application is approved and the award is accepted by the State.

(1) In the fiscal year 2024 budget adjustment act, any funds reserved, but not required, for the purpose described in Sec. C.120(b) shall be unreserved and reserved within the General Fund Balance Reserve established by 32 V.S.A. § 308c.

Sec. C.121 2022 Acts and Resolves No. 185, Sec. B.1100 as amended by 2023 Acts and Resolves No. 3 Sec. 45 is further amended to read:

Sec. 45. 2022 Acts and Resolves No. 185, Sec. B.1100 is amended to read:

Sec. B.1100 FISCAL YEAR 2023 ONE-TIME GENERAL FUND APPROPRIATIONS

(a) In fiscal year 2023, funds are appropriated from the General Fund for new and ongoing initiatives as follows:

* * *

(37) $1,200,000 to the Department for Children and Families ~~for a grant~~ to be awarded to the Lund Center for an unrestricted contribution to its Residential Treatment program when it is are operating at full 26-bed capacity.

* * *

Sec. C.122 FISCAL YEAR 2023 CARRYFORWARD AUTHORITY FOR HEALTH CARE WORKFORCE PROGRAM

(a) In fiscal year 2023, the Department of Health shall carry forward unspent appropriations made for the following programs:

(1) the Vermont Nursing Forgivable Loan Program created in 18 V.S.A. § 34;

(2) the Medical Student Incentive Scholarship Program created in 18 V.S.A. § 33; and

(3) the health professional loan repayment programs created in 18 V.S.A §§ 32 35.

(b) The Department shall true up and adjust the balances for any of the programs listed above if past carryforward amounts were inconsistent with legislative intent.

(c) The report required by Sec. E.125.1 of this act shall specifically address carryforward requirements and any clarify statutory amendments.

Sec. C.123 HOUSING TRANSITION; RESOURCES FOR COMPREHENSIVE COMMUNITY RESPONSE

(a) The additional funding provided in this section is to be used for a coordinated and collaborated effort between State agencies and community partners to address community impacts as individuals transition from hotel and motel settings. The Secretaries of Administration, of Human Services, and of Commerce and Community Development, and their respective designees, shall collaborate with local community partners, including the community action agencies; designated and specialized service agencies; homeless shelters;

health care providers such as free clinics, hospitals, health networks, and community health teams; youth service agencies; and willing civic and religious community organizations to support individuals and households who are transitioning from hotels and motels to alternate housing or shelter arrangements or who may be homeless.

(b) The Agency of Human Services shall transition the Coordinated Care Housing Resource Teams into existing regional teams that shall take the lessons learned from the statewide response and systematize cross-agency, team-based complex care. The Agency's field directors shall lead this transition, working in collaboration with leaders from the Blueprint for Health and the regional partner organizations described in subsection (a) of this section.

(c) The sum of $10,000,000 shall be made available to the Department for Children and Families in fiscal year 2023 as set forth in subsections (d) and (e) of this section, and may be carried forward into fiscal year 2024, to provide assistance to individuals and households experiencing homelessness. Funds may be distributed through payments to beneficiaries, through grants, or through contracts, at the Department's discretion. The amounts to be distributed to community partners shall be awarded as flexible grants through the Department for Children and Families' Office of Economic Opportunity Housing Opportunity Program that enable the grantees working with these individuals and households to respond to their short-term needs, which may include rental deposits; campsite fees and camping equipment; furniture and appliances; car repairs, if funds for repairs are not available from other programs; and transportation costs, including relocation expenses.

(d) $9,400,000 of the funds described in subsection (c) of this section shall be transferred to the Department for Children and Families as set forth in this subsection. The Agency of Administration shall structure the program in accordance with the requirements of 31 C.F.R. Part 35 and in a manner designed to achieve rapid deployment and administrative efficiency, and may reallocate funds across governmental units in a net-neutral manner as follows for a total of $9,400,000:

(1) The Commissioner of Finance and Management is authorized to reallocate General Fund appropriations made to the Vermont Housing and Conservation Board in 2023 Acts and Resolves No. 3, Sec. 45. In exchange, the Secretary of Administration shall provide an amount equal to the reallocation amount to the Vermont Housing and Conservation Board from the federal funds appropriated through the Emergency Rental Assistance Program,

which was originally approved by the Joint Fiscal Committee pursuant to Grant Request #3034.

(2) The Commissioner of Finance and Management is authorized to reallocate American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds appropriated to the Agency of Human Services in 2021 Acts and Resolves No. 74, Sec. G.300(a)(31), as amended by 2022 Acts and Resolves No. 83, Sec. 68.

(e) The remaining $600,000 of the funds described in subsection (c) of this section are appropriated from the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds to the Department for Children and Families for the purposes set forth in subsection (c) of this section.

(f) The funding provided in subsection (c) of this section is in addition to other funding for housing stability services allocated in this act or through other recent legislative action, including:

(1) $15,200,000 in ARPA – Emergency Rental Assistance Program funds for three years of housing stability wraparound services through community partners;

(2) $1,000,000 General Fund in 2023 Acts and Resolves No. 3, the fiscal year 2023 budget adjustment act, to provide coordinated care teams for wraround support services;

(3) $5,000,000 General Fund for a Housing Opportunity Program grant, of which $500,000 was allocated from fiscal year 2022 surplus funds;

(4) $1,500,000 General Fund and Global Commitment Fund in this act for Family Supported Housing programming;

(5) $3,000,000 General Fund in 2023 Acts and Resolves No. 3 for the Housing Voucher Program for families experiencing homelessness;

(6) $1,500,000 General Fund from fiscal year 2022 surplus funds for the Vermont Rental Subsidy program for families with very low income participating in the Reach Up program;

(7) $18,776,814 General Fund for Office of Economic Opportunity annual base funding to provide grants to community agencies assisting individuals experiencing homelessness; and

(8) $26,384,610 General Fund in combined annual base and one-time funding for the General Assistance Emergency Housing program under a hybrid adverse winter weather policy in fiscal years 2023 and 2024.

Sec. C.124 10 V.S.A. § 6081(y) is added to read:

* * *

(y) No permit or permit amendment is required for a retail electric distribution utility's rebuilding of existing electrical distribution lines and related facilities to improve reliability and service to existing customers, through overhead or underground lines in an existing corridor, road, or State or town road right-of-way. Nothing in this section shall be interpreted to exempt projects under this subsection from other required permits or the conditions on lands subject to existing permits required by this section.

* * *

Sec. C.125 EXEMPTION REPEAL

10 V.S.A. § 6081(y) is repealed on January 1, 2026.

Sec. C.126 ELECTRIC DISTRIBUTION UTILITY PROJECT REPORT

(a) On or before January 15, 2024, and annually until 2026, any distribution utility that takes an action exempt under 10 V.S.A. § 6081(y) shall report to the House Committee on Environment and Energy and the Senate Committees on Finance and on Natural Resources and Energy on the projects completed pursuant to that exemption in the preceding year. The report shall address: the location of the projects, including whether it is located in a "1-acre town" or a "10-acre town"; how many customers are affected by the project; whether the project involved lines being hardened in place, buried underground, or relocated to the right-of-way; how many poles were removed and how many poles were set; and what permits the projects were required to receive.

* * * Fiscal Year 2024 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 $560,000 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 $560,000 from the property transfer tax deposited into the Current Use Administration Special Fund shall be transferred into the General Fund.

(2) The sum of $21,462,855 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 $21,462,855 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) shall be offset by the reduction of $1,500,000 in the appropriation to the Vermont Housing and Conservation Board and $1,000,000 from the surcharge established by 32 V.S.A. § 9602a. The fiscal year 2024 appropriation of $21,462,855 to the Vermont Housing and Conservation Board 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, it is the intent of the General Assembly that the $1,500,000 reduction in the appropriation to the Vermont Housing and Conservation Board should be restored.

(3) The sum of $7,545,993 is appropriated from the Municipal and Regional Planning Fund. Notwithstanding 24 V.S.A. § 4306(a), amounts in excess of $7,545,993 from the property transfer tax that are deposited into the Municipal and Regional Planning Fund shall be transferred into the General Fund. The $7,545,993 shall be allocated for the following:

(A) $6,211,650 for disbursement to regional planning commissions in a manner consistent with 24 V.S.A. § 4306(b);

(B) $898,283 for disbursement to municipalities in a manner consistent with 24 V.S.A. § 4306(b); and

(C) $436,060 to the Agency of Digital Services for the Vermont Center for Geographic Information.

Sec. D.100.1 LEGISLATIVE INTENT FOR FISCAL YEAR 2024 PLANNING FUNDS

(a) It is the intent of the General Assembly that an amount not to exceed $500,000 of the planning funds provided in Sec. D.100 of this act be used for municipal bylaw modernization.

Sec. D.101 FUND TRANSFERS, REVERSIONS, AND RESERVES

(a) Notwithstanding any other provision of law to the contrary, the following amounts shall be transferred from the funds indicated:

(1) From the General Fund to:

(A) the Environmental Contingency Fund (21275): $5,000,000;

(B) the Enhanced 911 Board Fund (21711): $2,115,000:

(i) Of the funds transferred to the Enhanced 911 Board Fund in this subdivision, $815,000 shall be used to support necessary 911 system upgrades beginning in fiscal year 2024;

(C) the Technology Modernization Special Fund (21951): $10,000,000;

(D) the Cash Fund for Capital and Essential Investments (21952):

(i) $17,685,000 for the Capital Infrastructure subaccount for use on capital projects as authorized in the capital bill and appropriated in this act; and

(ii) $49,540,000 for the Other Infrastructure, Essential Investments, and Reserves subaccount for other expenditures and reserves as authorized by the General Assembly.

(E) the Fire Prevention/Building Inspection Special Fund (21901): $1,500,000; and

(F) the Tax Computer System Modernization Fund (21909): $3,600,000.

(2) From the Education Fund to:

(A) the Tax Computer System Modernization Fund (21909): $1,300,000.

(3) From the Clean Water Fund (21932) established by 10 V.S.A. § 1388 to:

(A) the Agricultural Water Quality Special Fund (21933) created under 6 V.S.A. § 4803: $6,684,880; and

(B) the Lake in Crisis Response Program Special Fund (21938) created under 10 V.S.A. § 1315: $120,000.

(4) From the Transportation Fund to:

(A) 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: $523,966.

(b) Notwithstanding any provisions of law to the contrary, in fiscal year 2024:

(1) The following amounts shall be transferred to the General Fund from the funds indicated:

22005	AHS Central Office Earned Federal Receipts	$4,641,960
50300	Liquor Control Fund	$21,200,000
	Sports Wagering Fund	$1,204,000
	Caledonia Fair	$5,000
	North Country Hospital Loan Repayment	$24,047
	Springfield Hospital Promissory Note Repayment	$121,416

(2) The following estimated amounts, which may be all or a portion of unencumbered fund balances, shall be transferred 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.

21638	AG-Fees and reimbursement – Court order	$1,000,000
621000	Unclaimed Property Fund	$3,270,225

(3) Notwithstanding 2016 Acts and Resolves No. 172, Sec. E.228, $60,044,000 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, in fiscal year 2024, the following amounts shall revert to the General Fund from the accounts indicated:

3400004000	Agency of Human Services – Secretary's Office – Global Commitment	$15,103,683

(d) Notwithstanding any provisions of law to the contrary, in fiscal year 2024 the following estimated General Fund reserves shall be made:

(1) Pursuant to 32 V.S.A. § 308, an estimated amount of $1,669,311 shall be unreserved from the General Fund Budget Stabilization Reserve.

Sec. D.102 27/53 RESERVE

(a) $5,350,000 General Fund shall be reserved in the 27/53 reserve in fiscal year 2023. This action is the fiscal year 2024 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.

Sec. D.103 UNRESERVED; INCENTIVE SCHOLARSHIP FUNDS

(a) In fiscal year 2024, $700,000 in general funds reserved per 2022 Act and Resolves No. 185, Sec. C.107.2(b) are unreserved and available for appropriation.

Sec. D.104 EDUCATION FUND RESERVE; FUTURE SUPPLEMENTAL COST OF LIVING PAYMENTS

(a) In fiscal year 2024, notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, the amount of $9,100,000 is reserved in the Education Fund to fund future supplemental cost of living payments to qualifying retired members and beneficiaries of the Vermont State Teachers' Retirement System or the present value of any changes made to the methodology for calculating the postretirement adjustments allowance set forth in 16 V.S.A. § 1949, or both.

Sec. D.105 UPDATE REPORT ON ARPA – SFR APPROPRIATIONS

(a) The Joint Fiscal Committee shall ensure the American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds report received in September 2023 per 2022 Acts and Resolves No. 185 Sec. G.200(a) is sent to the Chairs and Vice Chairs of the legislative standing committees. At the Committee's November 2023 meeting, the Committee shall identify any American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery appropriations that are available for reallocation to ensure these funds are utilized within the required time frame.

* * * General Government * * *

Sec. E.100 EXECUTIVE BRANCH POSITIONS

(a) The establishment of 68 permanent positions is authorized in fiscal year 2024 for the following:

(1) Permanent classified positions:

(A) Agency of Agriculture, Food and Markets:

(i) one Consumer Protection Specialist I; and

(ii) two Food Safety Specialist Is;

(B) Criminal Justice Council: two FIP Instructors;

(C) Department of Disabilities, Aging, and Independent Living:

(i) five Quality and Program Participant Specialists;

(ii) one Dementia Coordinator; and

(iii) three Public Guardians;

(D) Department of Financial Regulation: two Insurance Examiners;

(E) Department of Human Resources:

(i) one Compensation Analyst;

(ii) one Configuration Analyst II;

(iii) one Employee Support Specialist;

(iv) one FMLI Manager;

(v) one HR Administrator III;

(vi) one HR Administrator IV;

(vii) one HR Manager; and

(viii) one Talent Coordinator;

(F) Department of Liquor and Lottery:

(i) one Financial Analyst; and

(ii) one Sports Betting Director;

(G) Department of Mental Health:

(i) one Crisis Program Director;

(ii) one Mental Health Analyst I;

(iii) one Operations Manager; and

(iv) one Training and Curriculum Development Supervisor; and

(v) one Quality and Program Specialist;

(H) Department of Taxes – State Appraisal and Litigation Assistance Program:

(i) one Property Valuation and Review Program Manager;

(I) Office of the State Treasurer:

(i) one Program Technician;

(ii) one Administrative Services Coordinator;

(iii) one Financial Specialist III;

(iv) one Financial Manager I;

(v) one Financial Manager II; and

(vi) one Program Technician II;

(J) Enhanced 911 Board:

(i) one Program Technician I;

(K) Department of Motor Vehicles:

(i) three Motor Vehicle Inspectors;

(L) Office of the Defender General:

(i) one Financial Director;

(M) Agency of Natural Resources:

(i) one Aquatic Invasive Species Prevention Specialist;

(N) Agency of Transportation – Highway Division:

(i) one Transportation Operations Technician III; and

(ii) one Transportation Technician IV;

(O) Agency of Human Services – Central Office:

(i) three Quality and Program Specialists;

(P) Vermont Pension Investment Commission:

(i) one Investment Accountant;

(Q) Agency of Education:

(i) one Afterschool and Summer Care Data Analyst; and

(ii) one Afterschool and Summer Care Grant Program Administrator.

(2) Permanent exempt positions:

(A) Department of Taxes – State Appraisal and Litigation Assistance Program: one Staff Attorney;

(B) Agency of Commerce and Community Development – Division for Historic Preservation – Vermont Commission on Native American Affairs: one Executive Director;

(C) Human Rights Commission – one Litigator;

(D) Office of the Attorney General – one Private Secretary;

(E) Department of State's Attorneys and Sheriffs:

(i) five Deputy State's Attorneys;

(ii) one Victim Advocate; and

(iii) two Legal Assistants;

(F) Office of the State Treasurer:

(i) one Director – VT Saves; and

(ii) one Communications and Outreach Manager – VT Saves

(G) Agency of Administration – Office of Health Equity

(i) one Director of Health Equity; and

(ii) one Private Secretary.

(b) The conversion of 49 limited service positions to classified permanent status is authorized in fiscal year 2024 as follows:

(1) Department of Public Safety, State Police:

(A) one Victim Services Specialist;

(2) Department of Vermont Health Access, Blueprint for Health Unit:

(A) one HCR Integration Manager;

(3) Department of Vermont Health Access, Health Care Reform Unit:

(A) one Administrative Services Manager I;

(B) five DVHA Program Consultants;

(C) one DVHA Quality Control Manager;

(D) one Health Reform Enterprise Director I;

(E) two Medicaid Operations Administrators;

(F) one Project and Operations Director;

(G) one Project and Operations Specialist; and

(H) one Project Director;

(4) Department of Vermont Health Access, Medicaid Policy Fiscal and Support Unit:

(A) two Audit Liaison – Internal Control positions;

(B) three DVHA Healthcare QC Auditors;

(C) one DVHA Healthcare QC CAP Auditor;

(D) two DVHA Program and Operations Auditors;

(E) one DVHA Program Consultant;

(F) one Health Reform Enterprise Director I; and

(G) one Nurse Auditor;

(5) Department of Vermont Health Access, Payment Reform Unit:

(A) one Admin HC Payment Reform Analytics position;

(B) three Change Management Practitioners;

(C) one Deputy Director of Payment Reform;

(D) one Director of Operations for ACO Programs;

(E) one Grant Programs Manager;

(F) one Health Care Project Director;

(G) one Payment Reform Special Project Lead; and

(H) one Senior Policy Advisor;

(6) Agency of Transportation – Aviation Program:

(A) nine Airport Maintenance Workers; and

(B) one Airport Operations Specialist; and

(7) Agency of Natural Resources – Central Office:

(A) one Environmental Justice and Civil Rights Director; and

(B) two Environmental Justice Coordinators.

(c) The establishment of 9 new classified limited service positions is authorized in fiscal year 2024 as follows:

(1) Department for Children and Families for the Reach Ahead pilot program:

(A) one Benefits Program Assistant Administrator; and

(B) two Reach Up Case Manager IIs;

(2) Department of Forests, Parks and Recreation:

(A) one Communications and Outreach Coordinator;

(B) one Climate Forester;

(C) three Forester IIs; and

(D) one Land Acquisition Coordinator.

(d) The establishment of 23 new exempt limited service positions is authorized in fiscal year 2024 as follows:

(1) Department of State's Attorneys and Sheriffs:

(A) six Deputy State's Attorneys;

(B) six State's Attorney Legal Assistants;

(C) six State's Attorney Victim Advocates; and

(D) four State's Attorney Secretaries.

(2) Agency of Administration – Health Equity Advisory Commission:

(A) one Private Secretary.

Sec. E.100.1 HEALTH EQUITY ADVISORY COMMISSION; OFFICE OF HEALTH EQUITY; ATTACHMENT FOR ADMINISTRATION; REPORT

(a) On or before January 15, 2024, the Health Equity Advisory Commission shall submit a written report to the House Committees on Appropriations, on Government Operations and Military Affairs, and on Health Care and the Senate Committees on Appropriations, on Government Operations, and on Health and Welfare regarding the appropriate State entity for the Office of Health Equity to be attached to for administrative purposes. The report shall identify various State entities to which the Office could be attached for administrative purposes in order to best position the Office to align with, coordinate with, and complement the State's health equity efforts, and shall examine the potential benefits and drawbacks of the Office being attached to each of the entities identified. The report shall also include a recommendation on how to administer community grants related to health equity.

(b) The Agency of Administration is authorized to expend funds appropriated to the Agency of Administration for the Health Equity Advisory Commission to fund administrative positions to complete the work required by this section or other legislation.

Sec. E.100.2 OFFICE OF HEALTH EQUITY POSITIONS

(a) $250,000 of the funds appropriated in Sec. B.100 of this act are to fund two positions in the Office of Health Equity. These funds may only be expended, and the positions may only be filled, once the recommendation required by Sec. E.100.1 of this act regarding the permanent administrative location for the Office of Health Equity is provided.

Sec. E.104.1 DEPARTMENT OF FINANCE AND MANAGEMENT; PENSION PLUS APPROPRIATION DIRECTIVE

(a) In fiscal year 2024, funds appropriated to the Department of Finance and Management and the Agency of Administration in Sec. B.104.1 of this act to fund additional payments to the Vermont State Retirement System made

pursuant to 3 V.S.A. § 473(c)(8) shall be directly deposited in the Vermont State Retirement System.

(b) Beginning in fiscal year 2025, and in each applicable year thereafter, additional contributions pursuant to 3 V.S.A. § 473 (c)(8) shall be made through the percentage of payroll rate process pursuant to 3 V.S.A. § 473 (d).

Sec. E.107 3 V.S.A. § 473 is amended to read:

* * *

(c)(8) Annually, the Board shall certify an amount to pay the annual actuarially determined employer contribution, as calculated in this subsection, and additional amounts as follows:

(A) in fiscal year 2024, the amount of $9,000,000.00;

(B) in fiscal year 2025, the amount of $12,000,000.00;

(C) in fiscal year 2026 and in any year thereafter when the Fund is calculated to have a funded ratio of less than 90 percent, the amount of $15,000,000.00.

(d) Contributions of State. As provided by law, the Retirement Board shall certify to the Governor or Governor-Elect a statement of the percentage of the payroll of all members sufficient to pay for all operating expenses of the Vermont State Retirement System and all contributions of the State that will become due and payable during the next biennium. The contributions of the State to pay the annual actuarially determined employer contribution and any additional amounts pursuant to section (c)(8) of this section shall be charged to the departmental appropriation from which members' salaries are paid and shall be included in each departmental budgetary request. Annually, on or before January 15, the Commissioner of Finance and Management shall provide to the General Assembly a breakdown of the components of the payroll charge applied to each department's budget in the current fiscal year and anticipated to apply in the upcoming fiscal year. This report shall itemize the percentages of payroll assessments to fund:

(1) the actuarially determined employer contribution to the Vermont State Retirement System;

(2) any additional payments made pursuant to subdivision (c)(8) of this section to the Vermont State Retirement System; and

(3) the employer contribution to the State Employees' Postemployment Benefits Trust Fund made pursuant to 3 V.S.A. § 479a (e)(3).

Sec. E.108 3 V.S.A. § 479 is amended to read:

§ 479. GROUP INSURANCE

(a)(1) As provided under section 631 of this title, a member who is insured by the respective group insurance plans immediately preceding the member's effective date of retirement shall be entitled to continuation of group insurance as follows:

~~(1)~~(A)(i) coverage in the group medical benefit plan provided by the State of Vermont for active State employees; or

~~(B)~~(ii) for a Group F and Group G plan member first included in the membership of the system on or after July 1, 2008, coverage in the group medical benefit plan offered by the State of Vermont for active State employees and pursuant to the following, provided:

~~(i)~~(I) a member who has completed five years and less than 10 years of creditable service at the member's retirement shall pay the full cost of the premium;

~~(ii)~~(II) a member who has completed 10 years and less than 15 years of creditable service at the member's retirement shall pay 60 percent of the cost of the premium;

~~(iii)~~(III) a member who has completed 15 years and less than 20 years of creditable service at ~~his or her~~ the member's retirement shall pay 40 percent of the cost of the premium;

~~(iv)~~(IV) a member who has completed 20 years or more of creditable service at ~~his or her~~ the member's retirement shall pay 20 percent of the cost of the premium; and

~~(2)~~(B) members who have completed 20 years of creditable service at their effective date of retirement shall be entitled to the continuation of life insurance in the amount of $10,000.00.

(2) Notwithstanding any provision of subdivision (1)(A)(i) or (ii) of this subsection to the contrary, a member may be offered health coverage other than coverage in the group medical benefit plan provided by the State of Vermont for active State employees if the following conditions are met:

(A) the alternative health coverage is substantially equivalent to the coverage offered through the group medical benefit plan provided by the State of Vermont for active State employees; and

(B) the alternative health coverage is mutually agreeable to:

(i) the State;

(ii) each employee organization that has been certified to represent one or more bargaining units pursuant to chapters 27 and 28 of this title; and

(iii) the Vermont Retired State Employees' Association.

(b) As of July 1, 2007, members of the Group C plan who separate from service prior to being eligible for retirement benefits under this chapter, who have at least 20 years of creditable service, and who participated in the group medical benefit plan at the time of separation from service shall have a one-time option at the time retirement benefits commence to participate in the group medical benefit plan provided by the State of Vermont for active State employees or any alternative health coverage provided pursuant to subdivision (a)(2) of this section. Premiums for the plan shall be prorated between the retired member and the Retirement System pursuant to section 631 of this title.

(c) Premiums for coverage of retired members of the Group C plan and their dependents in the group medical benefit plan or any alternative health coverage provided pursuant to subdivision (a)(2) of this section shall be prorated on the same basis as is provided for active employees by the current collective bargaining agreement for the nonmanagement unit. The amounts designated as the State's share of premium for the medical benefit plan and the total premium for group life insurance provided under subdivision (a)(2) of this section shall be paid by the Fund as an operating expense in accordance with subsection 473(d) of this title.

(d) After January 1, 2007, the State Treasurer may offer and administer a dental benefit plan for retired members, beneficiaries, eligible dependents, and eligible retirees of special affiliated groups and the dependents of members of those groups who are eligible for coverage in the State Employee Group Medical Benefit Plan or any alternative health coverage provided pursuant to subdivision (a)(2) of this section. The Plan shall be separate and apart from any dental benefit plan offered to Vermont State employees. The original plan of benefits, and any changes thereto, shall be determined by the State Treasurer with due consideration of recommendations from the Retired Employees' Committee on Insurance established in section 636 of this title.

* * *

(3) Dependent eligibility shall be determined in the manner applied to determinations for coverage in the State Employee Medical Benefit Plan or any alternative health coverage provided pursuant to subdivision (a)(2) of this section.

(4) [Repealed.]

(e) As of January 1, 2007, and thereafter, upon retirement, members entitled to prorated group medical benefit plan premium payments from the Retirement System under the terms of this section shall have a one-time option to reduce the percentage of premium payments from the Retirement System during the member's life, with the provision that the Fund shall continue making an equal percentage of premium payments after the member's death for the life of the dependent beneficiary nominated by the member under section 468 of this title, should such dependent beneficiary survive the member. The Retirement Board, after consultation with its actuary, shall establish reduced premium payment percentages that are as cost neutral to the Fund as possible.

(f) [Repealed.]

(g) A member of the Group F or Group G plan who is first included in the membership of the System on or after July 1, 2008, who separates from service prior to being eligible for retirement benefits under this chapter, who has at least 20 years of creditable service, and who participated in the group medical benefit plan at the time of separation from service shall have a one-time option at the time retirement benefits commence to reinstate the same level of coverage, in the group medical benefit plan provided by the State of Vermont for active State employees or any alternative health coverage provided pursuant to subdivision (a)(2) of this section, that existed at the date of separation from service. Premiums for the plan shall be prorated between the retired member and the Retirement System pursuant to subsection 479(a) of this title.

* * *

Sec. E.108.1 3 V.S.A. § 631 is amended to read:

§ 631. GROUP INSURANCE FOR STATE EMPLOYEES; SALARY DEDUCTIONS FOR INSURANCE, SAVINGS PLANS, AND CREDIT UNIONS

(a)(1) The Secretary of Administration may contract on behalf of the State with any insurance company or nonprofit association doing business in this State to secure the benefits of franchise or group insurance. ~~Beginning July 1, 1978, the~~ The terms of coverage under the policy shall be determined under section 904 of this title, but it may include:

(A) life, disability, health, and accident insurance and benefits for any class or classes of State employees; and

(B) hospital, surgical, and medical benefits for any class or classes of State employees or for those employees and any class or classes of their dependents.

(2)(A)(i) As used in this section, the term "employees" includes any class or classes of elected or appointed officials, State's Attorneys, sheriffs, employees of State's Attorneys' offices whose compensation is administered through the State of Vermont payroll system, except contractual and temporary employees, and deputy sheriffs paid by the State of Vermont pursuant to 24 V.S.A. § 290(b). The term "employees" shall not include members of the General Assembly as such, any person rendering service on a retainer or fee basis, members of boards or commissions, or persons other than employees of the Vermont Historical Society, the Vermont Film Corporation, the Vermont State Employees' Credit Union, Vermont State Employees' Association, and the Vermont Council on the Arts, whose compensation for service is not paid from the State Treasury, or any elected or appointed official unless the official is actively engaged in and devoting substantially full-time to the conduct of the business of ~~his or her~~ the official's public office.

(ii) For purposes of group hospital-surgical-medical expense insurance, the term "employees" shall include employees as defined in subdivision (i) of this subdivision (2)(A) and former employees as defined in this subdivision who are retired and are receiving a retirement allowance from the Vermont State Retirement System or the State Teachers' Retirement System of Vermont and, for the purposes of group life insurance only, are retired on or after July 1, 1961~~,~~ and have completed 20 creditable years of service with the State before their retirement dates and are insured for group life insurance on their retirement dates.

* * *

(10) The Secretary of Administration shall not contract for any group hospital-surgical-medical expense insurance that provides a Medicare Advantage plan or similar plan established pursuant to Title XVIII of the Social Security Act without the explicit agreement of all employee organizations certified pursuant to chapters 27 and 28 of this title.

* * *

Sec. E.108.2 3 V.S.A. § 925 is amended to read:

§ 925. MEDIATION; FACT FINDING

* * *

(i)(1) In the case of the Vermont State Colleges or the University of Vermont, if the dispute remains unresolved 20 days after transmittal of findings and recommendations to the parties or within a time frame mutually agreed upon by the parties that may be not more than an additional 30 days, each party shall submit as a single package its last best offer on all disputed

issues to the Board. Each party's last best offer shall be filed with the Board under seal and shall be unsealed and placed in the public record only when both parties' last best offers are filed with the Board. The Board shall hold one or more hearings. Within 30 days of the certifications, the Board shall select between the last best offers of the parties, considered in their entirety without amendment.

(2)(A) In the case of the State of Vermont or the Department of State's Attorneys and Sheriffs, if the dispute remains unresolved 20 days after transmittal of findings and recommendations to the parties or within a time frame mutually agreed upon by the parties that may be not more than an additional 30 days, each party shall submit as a single package its last best offer on all disputed issues to the Board, or upon the request of either party, to an arbitrator mutually agreed upon by the parties. If the parties cannot agree on an arbitrator, the American Arbitration Association shall appoint a neutral third party to act as arbitrator.

(B)(i) Each party's last best offer shall be filed with the Board or the arbitrator under seal and shall be unsealed and placed in the public record only when both parties' last best offers are filed with the Board or the arbitrator.

(ii) A party's last best offer shall not include a proposal to:

(I) provide alternative health coverage to retired State employees that has not been agreed to pursuant to the provisions of subdivision 479(a)(2) of this title; or

(II) provide health coverage that includes a Medicare Advantage plan or similar plan established pursuant to Title XVIII of the Social Security Act unless the inclusion of the plan has been agreed to by both parties.

(iii) The Board or the arbitrator shall hold one or more hearings. Within 30 days of the certifications, the Board or the arbitrator shall select between the last best offers of the parties, considered in their entirety without amendment.

* * *

Sec. E.108.3 3 V.S.A. § 1018 is amended to read:

§ 1018. MEDIATION; FACT-FINDING; LAST BEST OFFER

* * *

(i)(1) If the dispute remains unresolved 20 days after transmittal of findings and recommendations or within a period of time mutually agreed upon by the parties that may be not more than an additional 30 days, each

party shall submit to the Board or, upon the request of either party, to an arbitrator mutually agreed upon by the parties its last best offer on all disputed issues as a single package. If the parties cannot agree on an arbitrator, the American Arbitration Association shall appoint a neutral third party to act as arbitrator.

(2) Each party's last best offer shall be:

(A) filed with the Board or the arbitrator under seal;

(B) certified to the Board or the arbitrator by the fact finder; and

(C) unsealed and placed in the public record only when both parties' last best offers are filed with the Board or the arbitrator.

(3)(A) A party's last best offer shall not include a proposal to:

(i) provide alternative health coverage to retired State employees that has not been agreed to pursuant to the provisions of subdivision 479(a)(2) of this title; or

(ii) provide health coverage that includes a Medicare Advantage plan or similar plan established pursuant to Title XVIII of the Social Security Act unless the inclusion of the plan has been agreed to by both parties.

(4) The Board or the arbitrator shall hold one or more hearings and consider the recommendations of the fact finder.

~~(4)~~(5)(A) Within 30 days of the certifications, the Board or the arbitrator shall select between the last best offers of the parties, considered in their entirety without amendment, and shall determine its cost.

* * *

~~(5)~~(6) The Board or the arbitrator shall not issue an order under this subsection that is in conflict with any law or rule or that relates to an issue that is not bargainable.

~~(6)~~(7) The decision of the Board or the arbitrator shall be final and binding on the parties.

Sec. E.111.1 32 V.S.A. § 3209 is added as to read:

§ 3209. TAX COMPUTER SYSTEM MODERNIZATION FUND

(a) The Tax Computer System Modernization Fund #21909, as established in the State Treasury per 2007 Acts and Resolves No. 65, Sec. 282 as amended, is a special fund to support information technology improvements and initiatives of the Department of Taxes. Balances in the Fund shall be administered by the Department of Taxes and used exclusively for the

purposes prescribed in subsection (c) of this section. Balances in the Fund at the end of each fiscal year shall be carried forward and remain part of the Fund. Interest earned by the Fund shall be deposited into the Fund.

(b) The Fund shall receive annual transfers from the General Fund and the Education Fund in amounts not to exceed 0.21 percent of total revenue collected in the prior fiscal year by the Department of Taxes. The fund may receive other receipts as directed or authorized by the General Assembly.

(c) The Fund shall be used for the development, implementation, enhancement, and maintenance of information technology systems and services for the administration of taxes and programs administered by the Department. This shall include requests for proposal, business requirements, analysis, implementation of new tax types, enhancements to existing systems, and payments due to vendors of information technology systems and services.

(d) The Commissioner of Taxes shall submit an annual report on the receipts, expenditures, and balances in the Tax Computer System Modernization Fund to the Joint Fiscal Committee each year at or prior to the Committee's November meeting each year.

Sec. E.111.2 TAX COMPUTER SYSTEM MODERNIZATION FUND TRANSFER

(a) Any remaining funds on June 30, 2023 in the Tax Computer System Modernization Fund established by 2007 Acts and Resolves No. 65, Sec. 282, and amended from time to time, shall be deposited into the fund established by 32 V.S.A. § 3209.

Sec. E.111.3 24 V.S.A. § 138(c) is amended to read:

(c) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes; provided, however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of $5.96 shall be assessed ~~to compensate the Department for the costs of administration and collection~~, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. Notwithstanding 32 V.S.A. § 603 or any other provision of law or municipal charter to the contrary, revenue from the fee shall be used to compensate the Department for the costs of administering and collecting the local option tax and of administering the State appraisal and litigation program established in 32 V.S.A. § 5413. The fee shall be subject to the provisions of 32 V.S.A. § 605.

Sec. E.124 2018 (Sp. Sess.) Acts and Resolves No. 9, Sec. 8 is amended to read:

Sec. 8. REPEAL

~~On June 30, 2024:~~

~~(1) Sec. 3 of this act (creating the Executive Director of Racial Equity and Racial Equity Advisory Panel in 3 V.S.A. chapter 68) is repealed and the Executive Director position and Panel shall cease to exist; and~~

~~(2) Sec. 4 of this act (authorization for the Executive Director of Racial Equity position) is repealed.~~ [Repealed.]

Sec. E.124.1 COUNCIL ON HOUSING AND HOMELESSNESS; INTENT

(a) It is the intent of the Vermont General Assembly to support the work of the Governor's Council on Housing and Homelessness, focusing on strategies for affordability and solving homelessness. The Council is encouraged to review and inventory the affordable housing that has been developed since January 2020, including the various public and private financing sources that have been utilized. The Council is also encouraged to review and inventory available housing assistance programs and funding levels.

Sec. E.125 2022 Acts and Resolves No. 126, Sec. 2 is amended to read:

Sec. 2. REPORT ON ACCESS TO CIVIL JUSTICE REMEDIES AND LAW ENFORCEMENT QUALIFIED IMMUNITY IN VERMONT

(a) On or before November 15, ~~2022~~ 2023, the Office of Legislative Counsel shall submit a written legal analysis to the Senate Committee on Judiciary, the House Committee on Judiciary, and the Joint Legislative Justice Oversight Committee concerning the impact of the doctrine of qualified immunity on access to civil justice remedies in the State of Vermont and the U.S. Court of Appeals for the Second Circuit. In particular, the analysis shall identify:

* * *

Sec. E.125.1 REVIEW OF WORKFORCE INCENTIVES, LOANS, AND SCHOLARSHIP PROGRAMS

(a) On or before January 15, 2024, the Office of Legislative Counsel and the Joint Fiscal Office, in collaboration with the Agency of Human Services, the Department of Mental Health, the Department of Health, the Department of Disabilities, Aging, and Independent Living, the Vermont Student Assistance Corporation (VSAC), and the Office of Primary Care and Area

Health Education Centers (AHEC) Program at the University of Vermont Larner College of Medicine shall issue a written report to the House and Senate Committees on Appropriations including:

(1) a complete inventory of existing State programs that provide workforce incentives in the form of scholarships, forgivable loans or loan repayment grants for a specified service obligation or other incentives with the objective of increasing the number of practitioners in health care and other social service occupations in Vermont;

(2) a summary of the amount and sources of funds for each program, both base and one-time, and any anticipated carryforward of unobligated balances at the close of fiscal year 2023;

(3) recommendations for streamlining or restructuring the existing programs with the goal of consolidating administration and making the programs easily accessible to potential students and existing or potential staff. There should be consideration of the level of program specificity that should be included in statute or remain within the authority of the administering entities. The report shall include the authorizing statute for each program and necessary statutory amendments to accomplish the recommendations.

Sec. E.127 FISCAL YEAR 2024 FEE REPORT; NATURAL RESOURCES AND HUMAN SERVICES; NATURAL RESOURCES BOARD; VETERANS' HOME

(a) Fiscal Year 2024 Fee Information. The Secretary of Natural Resources, the Secretary of Human Services, the Executive Director of the Natural Resources Board, and the Chief Executive Officer of the Vermont Veterans' Home shall, in collaboration with the Joint Fiscal Office, prepare a comprehensive fee report for the Agency of Natural Resources, the Agency of Human Services, the Natural Resources Board, and the Vermont Veterans' Home, respectively, for each fee in existence on July 1, 2023. Each fee report shall contain the following information:

(1) the statutory authorization and termination date, if any;

(2) the current rate or amount and date the fee was last set or adjusted by the General Assembly or Joint Fiscal Committee;

(3) the Fund into which the fee revenues are deposited;

(4) the revenues derived from each fee in the previous five fiscal years;

(5) the number of instances that each fee was paid in the two most recent fiscal years;

(6) a projection for fee revenues in the current fiscal year and the next fiscal year;

(7) a description of the service or product provided or the regulatory function performed;

(8) the relationship between the revenue raised and the cost of the service, product, or regulatory function supported by the fee;

(9) the amount of the fee if it would have been adjusted by inflation since the fee was last set;

(10) for any fees deposited in a special fund, the percent of the special fund that the fee represents;

(11) whether any comparable fees exist in other jurisdictions;

(12) any policies that might affect the viability of the fee amount; and

(13) any other relevant considerations for setting the fee amount.

(b) Reports.

(1) On or before October 15, 2023, the Secretary of Natural Resources, the Secretary of Human Services, the Executive Director of the Natural Resources Board, and the Chief Executive Officer of the Vermont Veterans' Home shall each submit a written draft report of the fiscal year 2024 fee information described in subsection (a) of this section to the Joint Fiscal Office for review and feedback. The Secretary of Natural Resources, the Secretary of Human Services, the Executive Director of the Natural Resources Board, and the Chief Executive Officer of the Vermont Veterans' Home shall each work with the Joint Fiscal Office to respond to feedback prior to submission of the final report described in subdivision (2) of this subsection.

(2) On or before December 15, 2023, the Secretary of Natural Resources, the Secretary of Human Services, the Executive Director of the Natural Resources Board, and the Chief Executive Officer of the Vermont Veterans' Home shall each submit a written final report of the fiscal year 2024 fee information described in subsection (a) of this section to the House Committees on Appropriations and on Ways and Means and the Senate Committees on Appropriations and on Finance.

(3) If any of the information on any fee that is requested in this section cannot be provided, the Secretary of Natural Resources, the Secretary of Human Services, the Executive Director of the Natural Resources Board, and the Chief Executive Officer of the Vermont Veterans' Home shall include in

both the draft and final reports described in this subsection (b) a written explanation for why the information is not available.

(c) Fee report moratorium. Notwithstanding 32 V.S.A. § 605, in fiscal year 2024, the Governor shall not be required to submit the consolidated Executive Branch fee report and request to the General Assembly.

Sec. E.128 OFFICE OF THE SERGEANT AT ARMS; NEW POSITIONS

(a) The establishment of two new permanent exempt Capitol Police Officer positions in the Office of the Sergeant at Arms are authorized in fiscal year 2024.

Sec. E.128.1 2021 Acts and Resolves No. 74, Sec. E.126a is amended to read:

Sec. E.126a LEGISLATIVE – HUMAN RESOURCES ASSOCIATE POSITION

(a) One ~~limited service~~ permanent exempt position, Human Resources ~~Associate~~ Generalist, is authorized for establishment in fiscal year 2022.

Sec. E.128.2 FARMERS' NIGHT CONCERT SERIES; APPROPRIATION

(a) The Office of the Sergeant at Arms is authorized to use not more than $10,000 from resources available within the General Assembly's budget to provide honoraria to speakers and performing groups who are invited to participate in the 2024 Farmers' Night Concert Series and who are not otherwise sponsored or compensated for their participation.

Sec. E.131 TREASURER CLIMATE INFRASTRUCTURE FINANCING COORDINATION

(a) The Treasurer may use funds appropriated in fiscal year 2024 to coordinate the State's climate infrastructure financing efforts. Use of funds can include administrative costs and third-party consultation. The Treasurer shall collaborate with, among others, the Vermont Climate Council, the Agency of Natural Resources – Climate Action Office, the Public Service Department, Vermont members of the Coalition for Green Capital, and the three financial instrumentalities of the State to create a framework for effective collaboration among Vermont organizations, agencies, and the financial instrumentalities of the State to maximize the amount of federal Greenhouse Gas Reduction Funds the State may receive and effectively coordinate the deployment of these and other greenhouse gas reduction funds. The Treasurer shall submit recommendations to the General Assembly regarding legislation for Vermont's climate infrastructure financing on or before January 15, 2024.

Sec. E.131.1 SCHOOL CONSTRUCTION AID TASK FORCE; REPORT

(a) Creation. The School Construction Aid Task Force is created to examine, evaluate, and report on issues relating to school construction aid.

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

(1) two current members of the House of Representatives, who shall be appointed by the Speaker of the House;

(2) two current members of the Senate, who shall be appointed by the Committee on Committees;

(3) the State Treasurer or designee, who shall serve as co-chair;

(4) the Secretary of Education or designee, who shall serve as co-chair;

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

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

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

(8) the Executive Director of the Vermont Superintendents Association or designee;

(9) the Executive Director of the Municipal Bond Bank or designee;

(10) the President of the Vermont School Custodians and Maintenance Association or designee;

(11) a person with expertise in historic preservation, appointed by the Governor;

(12) a person with expertise in the construction industry specializing in school facilities projects, appointed by the Governor;

(13) a member of the American Industrial Hygiene Association, appointed by the Governor; and;

(14) a person with expertise in school energy efficiency and energy performance contracting, who shall be appointed by the Governor.

(c) Powers and duties. The Task Force shall review the results of the statewide school facilities inventory and conditions assessment and the school construction funding report required by 2021 Acts and Resolves No. 72 and study the following issues relating to school construction aid:

(1) the needs, both programmatic and health and safety, of statewide school construction projects;

(2) funding options for a statewide school construction program, including any incentive plans;

(3) a governance structure for the oversight and management of a school construction aid program;

(4) the appropriate state action level for response to polychlorinated biphenyl contamination in a school; and

(5) criteria for prioritizing school construction funding.

(d) Assistance.

(1) The Task Force shall have the administrative, technical, and legal assistance of the Agency of Education, the Department of Health, and the Office of the State Treasurer.

(2) The Office of the State Treasurer is authorized to contract for services for the Task Force for technical assistance from a school construction expert and any administrative, technical, financial, or legal assistance required by the Task Force.

(e) Report. On or before January 15, 2024, the Task Force shall submit a written report to the House Committees on Corrections and Institutions, on Education, and on Ways and Means and the Senate Committees on Education, on Finance, and on Institutions with its findings and any recommendations for legislative action, including a recommendation on how the State should expend the funding in the Education Fund reserved for future school construction.

(f) Meetings.

(1) The State Treasurer shall call the first meeting of the Task Force to occur on or before July 15, 2023.

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

(3) The Task Force shall cease to exist on July 1, 2024.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Task Force serving in the member's 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 10 meetings. These payments shall be made from monies appropriated to the General Assembly.

(2) Other 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 10 meetings. These payments shall be made from monies appropriated to the Office of the State Treasurer.

Sec. E.133 VERMONT STATE EMPLOYEES' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the $2,990,679 appropriated in Sec. B.133 of this act, $2,018,947 constitutes the Vermont State Employees' Retirement System operating budget, and $971,732 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Employees' Retirement System.

Sec. E.134 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the $1,721,823 appropriated in Sec. B.134 of this act, $1,361,777 constitutes the Vermont Municipal Employees' Retirement System operating budget, and $360,046 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Employees' Retirement System.

Sec. E.134.1 PUBLIC PENSION FUNDS; CARBON FOOTPRINT; REVIEW; VERMONT PENSION INVESTMENT COMMISSION

(a) Review. The Vermont Pension Investment Commission, in consultation with the Office of the State Treasurer, shall complete a review of the carbon footprint of the holdings of the Vermont State Employees' Retirement System, the Vermont State Teachers' Retirement System, and the Vermont Municipal Employees' Retirement System. For purposes of the review, "carbon footprint" means the extent to which the holdings are invested in stocks, securities, or other obligations of any fossil fuel company or any subsidiary, affiliate, or parent of any fossil fuel company.

(b) Report. On or before February 15, 2024, the Commission shall submit a report on the review described in subsection (a) of this section to the House Committees on Appropriations and on Government Operations and Military Affairs, the Senate Committees on Appropriations and on Government Operations, and to the Joint Pension Oversight Committee. The report shall include the definition of "fossil fuel company" that the Commission used for purposes of conducting the review and whether there are any recommendations

for legislative action to divest from holdings that contain assets in the fossil fuel industry.

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 hydroelectric plants and other expenses incurred to undertake utility property appraisals in the State of Vermont.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) The appropriation in Sec. B.142 of this act is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4. 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.

(b) Notwithstanding subsection (a) of this section, the payments under this section shall be adjusted so that the total payments made under Secs. E.142, E.143, and E.144 of this act do not exceed 100 percent of the assessed value of State buildings as defined by 32 V.S.A. § 3701(2).

Sec. E.143 PAYMENTS IN LIEU OF TAXES – MONTPELIER

(a) Payments in lieu of taxes under Sec. B.143 of this act 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 of this act shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

* * * Protection * * *

Sec. E.200 ATTORNEY GENERAL

(a) Notwithstanding any provision of law to the contrary, 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), $1,545,393 is appropriated in Sec. B.200 of this act.

Sec. E.204 JUDICIARY; NEW POSITIONS

(a) The establishment of seven new permanent exempt positions at the Judiciary are authorized in fiscal year 2024: five Judicial Assistants, one Superior Judge, and one Law Clerk.

(b) The Superior Judge position created pursuant to this section:

(1) shall be for a six-year term of office commencing on April 1, 2023, irrespective of the date when the initial appointment is made; and

(2) shall be subject to the judicial retention process under Chapter II, Sec. 34 of the Vermont Constitution.

Sec. E.204.1. 13 V.S.A. § 7282 is amended to read:

§ 7282. SURCHARGE

(a) In addition to any penalty or fine imposed by the court ~~or Judicial Bureau~~ for a criminal offense or any civil penalty imposed by the Judicial Bureau for a traffic violation, including any violation of a fish and wildlife statute or regulation, violation of a motor vehicle statute, or violation of any local ordinance relating to the operation of a motor vehicle, except violations relating to seat belts and child restraints and ordinances relating to parking violations, the clerk of the court or Judicial Bureau shall levy an additional surcharge of:

* * *

(8)(A) For any offense or violation committed after June 30, 2006, but before July 1, 2008, $26.00, of which $18.75 shall be deposited in the Victims Compensation Special Fund.

(B) For any offense or violation committed after June 30, 2008, but before July 1, 2009, $36.00, of which $28.75 shall be deposited in the Victims' Compensation Special Fund.

(C) For any offense or violation committed after June 30, 2009, but before July 1, 2013, $41, of which ~~$23.75~~ $27.50 shall be deposited in the Victims Compensation Special Fund created by section 5359 of this title, and of which ~~$10.00~~ $13.50 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

(D) For any offense or violation committed after June 30, 2013, $47.00, of which ~~$29.75~~ $33.50 shall be deposited in the Victims Compensation Special Fund created by section 5359 of this title, and of which ~~$10.00~~ $13.50 shall be deposited in the Domestic and Sexual Violence Special Fund created by section 5360 of this title.

* * *

(c) ~~SUI~~ SIU surcharge. In addition to any penalty or fine imposed by the court or Judicial Bureau for a criminal offense committed after July 1, 2009, the clerk of the court or Judicial Bureau shall levy an additional surcharge of $100.00 to be deposited in the General Fund, in support of the Specialized Investigative Unit Grants Board created in 24 V.S.A. § 1940(c), and used to pay for the costs of Specialized Investigative Units.

Sec. E.208 PUBLIC SAFETY – ADMINISTRATION

(a) The Commissioner of Public Safety may 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 Essex County Sheriff.

Sec. E.209 PUBLIC SAFETY – STATE POLICE

(a) Of the General Fund appropriation in Sec. B.209 of this act, $35,000 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 General Fund 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 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 to design dry hydrants.

Sec. E.215 MILITARY – ADMINISTRATION

(a) The amount of $1,319,834 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 funds appropriated 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, and $10,000 shall be granted to the American Legion for the Boys' State and Girls' State programs.

Sec. E.223 9 V.S.A. § 2730 is amended to read:

§ 2730. LICENSING FOR OPERATION OF WEIGHING AND MEASURING DEVICES

(a) As used in this section:

* * *

(14) "Electric vehicle supply equipment" and "electric vehicle supply equipment available to the public" have the same meanings as in 30 V.S.A. § 201.

* * *

(f)(1) The Secretary shall charge, per unit, the following annual license fees:

(A) Retail motor fuel dispenser meter: $25.00.

* * *

(E) Each distinct plug-in connection point of electric vehicle supply equipment available to the public: $25.00.

Sec. E.232 30 V.S.A. § 3085 is added to read:

§ 3085. CERTIFICATE OF GOOD STANDING

(a) A district may apply to the Secretary of State for a certificate of good standing.

(b) A certificate of good standing shall include:

(1) the official name of the district;

(2) that the district is duly formed pursuant to this chapter;

(3) the date of the district's formation;

(4) that the fee required by this section has been paid; and

(5) that a plan of dissolution for the district has not been approved pursuant to section 3083 of this chapter.

(c) Subject to any qualification stated in the certificate, a certificate of good standing issued by the Secretary of State may be:

(1) relied upon as conclusive evidence that the district is in existence and is authorized to deliver communications services and operate a communications plant pursuant to this chapter; and

(2) taken as prima facie evidence of the facts stated in the certificate.

(d) A district that applies for a certificate of good standing under this section shall pay to the Secretary of State a nonrefundable application fee of $25.00.

* * * Human Services * * *

Sec. E.300 FUNDING FOR THE OFFICE OF THE HEALTH CARE ADVOCATE; VERMONT LEGAL AID

(a) Of the funds appropriated in Sec. B.300 of this act:

(1) $1,847,406 shall be used for the contract with the Office of the Health Care Advocate;

(2) $1,717,994 for Vermont Legal Aid services, including the Poverty Law Project and mental health services; and

(3) $650,000 is for the purposes of maintaining current Vermont Legal Aid program capacity and addressing increased requests for services, including eviction prevention and protection from foreclosure and consumer debt.

Sec. E.300.1 DESIGNATED AND SPECIALIZED SERVICE AGENCIES; INCREASE

(a) In fiscal year 2024, the Agency of Human Services shall increase funding to the designated and specialized service agencies in the following manner:

(1) A five percent base increase for developmental disability services effective July 1, 2023; and

(2) A three percent base increase for mental health services effective July 1, 2023.

(A) The remaining mental health service fund increase shall be used to provide payment equity across the provider agencies. These funds shall be

distributed as determined by the Agency of Human Services in the annual agreements or appropriate valuation model allocations for providers. The Agency shall report to the General Assembly in the fiscal year 2024 budget adjustment process on the status of these payment changes.

Sec. E.300.2 BLUEPRINT FOR HEALTH HUB AND SPOKE PROGRAM PILOT; FUND SOURCES

(a) The Agency of Human Services, in collaboration with the Departments of Vermont Health Access and of Health, shall identify alternative fund sources, including sales tax revenue from tobacco, cannabis, and liquor, for ongoing funding of the Blueprint for Health Hub and Spoke program and shall update the Joint Fiscal Committee on its findings on or before November 15, 2023.

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 to Health Section 1115 demonstration (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 Sec. B.301 of this act, a total estimated sum of $25,231,644 is anticipated to be certified as State matching funds under Global Commitment as follows:

(1) $21,957,400 certified State match available from local education agencies for eligible special education school-based Medicaid services under Global Commitment. This amount, combined with $28,542,600 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) $3,093,521 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 $4,034,170 is transferred from the AHS Federal Receipts Holding Account to the Interdepartmental Transfer Fund consistent with the

amount appropriated in Sec. B.301, Secretary's Office – Global Commitment, of this act.

Sec. E.301.1 GLOBAL COMMITMENT APPROPRIATIONS; TRANSFER; REPORT

(a) To facilitate the end-of-year closeout for fiscal year 2024, 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 of Human Services 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 Committee's September 2024 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 to Health Section 1115 demonstration approved by the Centers for Medicare and Medicaid Services under Section 1115 of the Social Security Act.

Sec. E.301.2 2022 Acts and Resolves No. 83, Sec. 72a, as amended by 2022 Acts and Resolves No. 185, Sec. C.105 is further amended to read:

Sec. 72a. MEDICAID HOME- AND COMMUNITY-BASED SERVICES (HCBS) PLAN

* * *

(f) The Global Commitment Fund appropriated in subsection (e) of this section may be obligated in fiscal year 2023 and fiscal year 2024 for the purposes of bringing HCBS plan spending authority forward into fiscal year 2024 and fiscal year 2025, respectively. The funds appropriated in subsections (b), (c), and (e) of this section may be transferred on a net-neutral basis in fiscal year 2023 and fiscal year 2024 in the same manner as the Global Commitment appropriations in ~~Sec. E.301 of H.740 of 2022~~ 2022 Acts and Resolves No, 185, Sec. E.301. The Agency shall report to the Joint Fiscal Committee in September 2023 and September 2024, respectively, on transfers of appropriations made and final amounts expended by each department in fiscal year 2023 and fiscal year 2024, respectively, and any obligated funds carried forward to be expended in fiscal year 2024 and fiscal year 2025, respectively.

Sec. E.301.3 GLOBAL COMMITMENT FUND; HOSPITAL DIRECTED PAYMENT PROGRAM

(a) The Agency of Human Services is authorized to seek a State Directed Payment model with the Centers for Medicare and Medicaid Services (CMS). This payment model will be for a Hospital Directed Payment (HDP) program. Upon approval from CMS, the Agency of Human Services' Department of Vermont Health Access, the University of Vermont, and the University of Vermont Medical Center may enter into a mutual agreement on the implementation of the HDP program.

(b) If CMS approves a Vermont HDP program within the State's Global Commitment to Health Section 1115 Demonstration Waiver in fiscal year 2024 while the General Assembly is not in session, then, pursuant to 32 V.S.A. § 511 and notwithstanding any other provision of law to the contrary, the Department of Finance and Management is authorized to approve the Agency of Human Services' allocation and expenditure of excess receipts for Global Commitment Fund spending up to the amount approved by CMS for the Vermont HDP program.

(c) In State fiscal year 2024, the Agency of Human Services is authorized, to the extent permitted under federal law, to reasonably manage the timing of federal fiscal year 2024 Disproportionate Share Hospital (DSH) payments to hospitals due to the impact the Vermont HDP program payments received in State fiscal year 2024 may have on hospitals' eligibility for DSH payments.

(d) The Agency of Human Services shall report on the status of the Vermont HDP program, the expenditure of excess receipts, and the status of the program's potential impacts on DSH payments at the September and November 2023 meetings of the Joint Fiscal Committee.

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, 2024, but only if 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 2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14, 2018 Acts and Resolves No. 187, Sec. 5, 2019 Acts and Resolves No. 71, Sec. 21, and 2021 Acts and Resolves No. 73, Sec. 14, is further amended to read:

(10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and Sec. 52 (Health IT-Fund; sunset) shall take effect on July 1, ~~2023~~ 2025.

Sec. E.306.2 2019 Acts and Resolves No. 6, Sec. 105, as amended by 2019 Acts and Resolves No. 71, Sec. 19 and 2022 Acts and Resolves No. 83, Sec. 75, is further amended to read:

Sec. 105. EFFECTIVE DATES

* * *

(b) Sec. 73 (further amending 32 V.S.A. § 10402) shall take effect on July 1, ~~2023~~ 2025.

* * *

Sec. E.306.3 ADULT DAY PROGRAM; RATE REPORT

(a) On or before February 15, 2024, the Department of Vermont Health Access, in collaboration with the Department of Disabilities, Aging, and Independent Living and the Vermont Association of Adult Day Services, shall report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare on recommended payment methodologies that encourage increased enrollment or attendance, or both, and provide predictable funding levels for adult day programs.

Sec. E.307 2022 Acts and Resolves No. 185, Sec. E.334.1 is amended to read:

Sec. E.334.1 LONG-TERM CARE – PERSONAL NEEDS ALLOWANCE INCREASE

(a) The amount of the State supplement for Medicaid beneficiaries who reside in a nursing home and receive Supplemental Security Income shall increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.

(b) The amount of the personal needs allowance for all Medicaid beneficiaries who reside in a nursing home shall increase by 10 percent to the degree practicable effective January 1, 2023 but not later than January 1, 2024.

Sec. E.307.1 33 V.S.A. § 1992 is amended to read:

§ 1992. MEDICAID COVERAGE FOR ADULT DENTAL SERVICES

(a) Vermont Medicaid shall provide coverage for medically necessary dental services provided by a dentist, dental therapist, or dental hygienist working within the scope of the provider's license as follows:

* * *

(2)(A) Diagnostic, restorative, and endodontic procedures, to a maximum of ~~$1,000.00~~ $1,500.00 per calendar year, provided that the Department of Vermont Health Access may ~~approve~~ adjust the maximum pursuant to the process outlined in subdivision (B) of this subdivision (2) and may approve expenditures in excess of that amount when exceptional medical circumstances so require.

(B) The Department may set the maximum for coverage of diagnostic, restorative, and endodontic procedures in excess of the amount set forth in subdivision (A) of this subdivision (2) for a calendar year based on the Department's annual assessment of available funds, provided that the Department submit a report to the House Committee on Health Care, the Senate Committee on Health and Welfare, and the House and Senate Committees on Appropriations, or to the Joint Fiscal Committee if the General Assembly is not in session, each time the Department adjusts the maximum.

* * *

Sec. E.307.2 DEPARTMENT OF VERMONT HEALTH ACCESS; MEDICAID DENTAL SERVICES; REPORT

(a) On or before January 15, 2025, the Department of Vermont Health Access shall report to the House Committee on Health Care, the Senate Committee on Health and Welfare, and the House and Senate Committees on Appropriations on its analysis of the impact of Medicaid dental provider rate increases on the participation of dental providers in the Medicaid program, the geographic and network adequacy of dental providers for the Medicaid population, utilization of emergency dental services due to allowable exceptional medical circumstances, and predictions on costs of increasing or eliminating the dental cap.

Sec. E.312 HEALTH – PUBLIC HEALTH

(a) HIV/AIDS funding:

(1) In fiscal year 2024, the Department of Health shall provide grants in the amount of $475,000 in AIDS Medication Rebates special funds to 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) In fiscal year 2024, the Department of Health shall provide grants in the amount of $295,000 to the following organizations:

(A) Vermont CARES – $140,000;

(B) AIDS Project of Southern Vermont – $100,000; and

(C) HIV/HCV Resource Center – $55,000.

(3) 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.

(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 act.

(B) 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 2024, 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 2024, the Department of Health shall provide grants in the amount of $300,000 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 shall be State fiscal year 2024. Grant reporting shall include outcomes and results.

(6) In fiscal year 2024, the Department of Health shall not reduce any grants to Vermont AIDS service and peer-support organizations or syringe service programs from funds appropriated for HIV/AIDS services to levels below those in fiscal year 2023 without receiving prior approval from the Joint Fiscal Committee.

Sec. E.312.1 DEPARTMENT OF HEALTH: EMERGENCY MEDICAL SERVICES COORDINATION; REPORT

(a) The Commissioner of Health shall provide a report to the General Assembly on or before January 15, 2024, on Emergency Medical Services in Vermont.

(b) The Commissioner shall design and conduct a stakeholder engagement process that ensures input and representation from all types of emergency medical service providers serving Vermonters, as well as hospital and health systems, public safety, and municipal government.

(c) The report shall identify issues and provide recommendations for legislative consideration that will sustain and improve the provision of emergency medical services for Vermonters. This may include:

(1) issues related to costs of service and existing funding models;

(2) issues related to coordination across agencies; and

(3) issues related to EMS District structure and authority, including consideration of recommendations on the number and configuration of EMS Districts and their powers, duties, and authority.

Sec. E.313 HEALTH; SUBSTANCE USE PROGRAMS

(a) In fiscal year 2024, the Department of Health shall provide additional grants from the Global Commitment fund in the amount of $1,850,000 to Vermont's 12 recovery centers. The methods by which these funds are distributed shall be determined by mutual agreement of the Department and

the recipients. The performance period of these grants shall be State fiscal year 2024. Recipients shall report outcomes to the Department.

(b) The Department of Health shall review and analyze the capital and operating model for recovery residences. This shall include the portion of capital investment for these facilities that is privately and publicly financed, a description of the existing operating models of these facilities, existence and content of sustainability plans, the current operating margins net of rental income generated and the array of existing other operating funding available to the facilities, and the annual amounts of depreciation claimed by investors related to these facilities. The Department shall report to the General Assembly on this analysis and any related recommendations.

Sec. E.316 STAKEHOLDER WORKING GROUP; FACILITY PLANNING FOR JUSTICE-INVOLVED YOUTH

(a) The Department for Children and Families, in consultation with the Department of Buildings and General Services, shall assemble a stakeholder working group to provide regular input on the planning, design, development, and implementation of the temporary stabilization facility for youth and on the development of a long-term plan for the high-end system of care.

(b) The stakeholder working group, constituted as a subcommittee of, or drawn from, existing groups or created as a separate group, may include representatives from:

(1) the families of children in the Department's custody for delinquency offenses;

(2) youth who have been in custody for juvenile offenses;

(3) the Juvenile Defender's Office;

(4) the Office of State's Attorneys;

(5) the Family Court;

(6) the Office of Racial Equity;

(7) the Vermont Family Network;

(8) the Vermont Federation of Families;

(9) the Children and Family Council for Prevention Programs;

(10) the Vermont Protection and Advocacy;

(11) the Department of Mental Health;

(12) the Department of Disabilities, Aging, and Independent Living;

(13) the State Program Standing Committees for Developmental Services, Children's Mental Health, and Adult Mental Health; and

(14) any other groups the Department may select.

(c) The Department shall regularly present relevant information to the stakeholder working group established pursuant to this section and review recommendations from the working group regarding:

(1) facility design layout, programming, and policy development for the temporary stabilization facility, including data on the number of cases and types of case mix, as well as likely length of stay; and

(2) the Department's data and assumptions for size, type of treatment, and security levels for future permanent facilities included in the planning process proposed in the fiscal year 2024 capital bill; optimal locations, including whether a campus plan is appropriate; and any plans regarding the use of outside contractors for facility operations, including State oversight of appropriate quality of care.

(d) The stakeholder working group established in this section shall be subject to the requirements of the Vermont Open Meeting Law.

(e) On or before January 15, 2024, the Commissioner of Children and Families shall develop and submit a strategic plan to the House Committees on Corrections and Institutions and on Human Services and to the Senate Committees on Health and Welfare and Institutions, as part of the overall planning process for development of the high-end system of care, for preventing the disproportionality of youth who are Black, Indigenous, or Persons of Color in staff- or building-secure facilities. The strategic plan shall include mechanisms for collecting necessary data, and the process of development shall include input from relevant public stakeholders.

(f) The stakeholder working group shall cease to exist on June 30, 2025.

Sec. E.321 GENERAL ASSISTANCE HOUSING: ADVERSE WEATHER CONDITIONS

(a) The Commissioner for Children and Families may, by policy, provide temporary housing for a limited duration in adverse weather conditions when appropriate shelter space is not available.

Sec. E.323 33 V.S.A. § 1001 is amended to read:

§ 1001. DEFINITIONS

As used in this chapter:

(1) ~~"Able to work" means to be free of any physical, emotional, or mental condition that would prevent the individual from engaging in any combination of the work activities for at least 35 hours per week.~~ [Repealed.]

(2) ~~"Able to work part time" means having a physical, emotional, or mental condition that would allow the individual to engage in any combination of the work activities for at least 10 hours per week but would prevent the individual from engaging in such activities for 35 or more hours per week.~~ [Repealed.]

* * *

(25) ~~"Unable to work" means not able to work and not able to work part time.~~ [Repealed.]

(26) ~~"Work activities" means the following activities limited to the extent and degree that they are allowed and countable in accordance with Part A of Title IV of the Social Security Act:~~

~~(A) unsubsidized employment;~~

~~(B) subsidized private sector employment;~~

~~(C) subsidized public sector employment;~~

~~(D) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;~~

~~(E) on-the-job training;~~

~~(F) job search and job readiness assistance;~~

~~(G) community service programs;~~

~~(H) vocational educational training (not to exceed 12 months with respect to any individual);~~

~~(I) job skills training directly related to employment;~~

~~(J) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;~~

~~(K) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate;~~

~~(L) the provision, consistent with the Department's rules applicable to self-employment, of child care services to an individual who is participating in a community service program;~~

~~(M) attendance at a financial literacy class; and~~

~~(N) any other work activity recognized in accordance with Part A of Title IV of the Social Security Act, as amended.~~ [Repealed.]

(27) ~~"Work-ready" means the participant possesses the education or skills demanded by the local job market or is capable of participating in one or more work activities at the level required by the participant's work requirement, and is not subject to any barrier.~~ [Repealed.]

Sec. E.323.1 33 V.S.A. § 1004 is amended to read:

§ 1004. REACH FIRST PAYMENT

* * *

(c) For the purposes of calculating the payment, child support shall be treated as income, except that the first ~~$500.00~~ $100.00 amount of child support shall be disregarded from income.

Sec. E.323.2 33 V.S.A. § 1005(b)(8) is amended to read:

(8) ~~Assistance with obtaining documentation of an apparent or claimed physical, emotional, or mental condition that reasonably can be presumed to limit or eliminate the individual's capacity to engage in employment or other work activity.~~ [Repealed.]

Sec. E.323.3 33 V.S.A. § 1006 is amended to read:

§ 1006. CASE MANAGEMENT; FAMILY DEVELOPMENT PLANS; COORDINATED SERVICES

* * *

(b) The family development plan shall include:

(1) Each ~~parent~~ parent's or caretaker's employment goal or plan to engage in the program, to the best of the parent's or caretaker's ability.

* * *

Sec. E.323.4 33 V.S.A. § 1011 is amended to read:

§ 1011. TRANSITION TO OTHER PROGRAMS

* * *

(b) ~~If a family finds employment meeting or exceeding the work requirements for Reach Up for the family's size and composition, but is financially eligible for Reach Up, the Department shall transfer the family to Reach Up, unless the family chooses not to participate. A family transferring~~

~~from Reach First to Reach Up shall be treated as a recipient for the purposes of income calculation.~~ [Repealed.]

(c) ~~If a family finds employment meeting or exceeding the work requirements for Reach Up for the family's size and composition, is not financially eligible for Reach Up, and is eligible for the Reach Ahead program, the Department shall transfer the family to Reach Ahead, unless the family chooses not to participate. A family transferring from Reach First to Reach Ahead shall be treated as a recipient for the purposes of income calculation.~~ [Repealed.]

* * *

Sec. E.323.5 33 V.S.A. § 1203 is amended to read:

§ 1203. ELIGIBILITY

A family shall be eligible for Reach Ahead if the family resides in Vermont and:

(1) has left Reach Up or the postsecondary education program within the prior six months for employment that meets the federal work requirements for the ~~Reach Up~~ TANF program for the family's size and composition;

* * *

Sec. E.323.6 33 V.S.A. § 1212 is amended to read:

§ 1212. TRANSITION TO OTHER PROGRAMS

If a family loses employment meeting or exceeding the work requirements for ~~Reach Up~~ TANF for the family's size and composition and is financially eligible for Reach Up, the family shall be transferred to Reach First or Reach Up without an additional application process, unless the family chooses not to participate. Verification of income or other documentation may be required as provided for by rule.

Sec. E 323.7 REACH AHEAD PILOT PROGRAM

(a) Notwithstanding any provision to the contrary in 33 V.S.A. chapter 12, funds appropriated to the Department for Children and Families for the Reach Ahead Pilot Program in fiscal year 2024 shall be used to:

(1) enroll families that have left the Reach Up program or the postsecondary education program within the prior 12 months for employment that meets the federal work requirements for the Temporary Assistance for Needy Families program for the family's size and composition;

(2) increase the amount of monthly food assistance from $50 to $100 in the first 12 months of a family's participation in Reach Ahead;

(3) increase the amount of monthly food assistance from $5 to $50 in the second 12 months of a family's participation in Reach Ahead; and

(4) provide incentive payments to participating families in the amounts of:

(A) $750, to be paid after participating in the Program for six months;

(B) $1,000, to be paid after participating in the Program for 12 months;

(C) $1,000, to be paid after participating in the Program for 18 months; and

(D) $1,000, to be paid after participating in the Program for 24 months.

(b) Funding for this program is provided for in Sec. B.1100(o)(1) of this act and is only in effect for fiscal years 2024 and 2025, unless additional funding is authorized.

Sec. E.323.8 REACH AHEAD PILOT PROGRAM

(a) The Department for Children and Families – Economic Services Division shall collect and report data that measures outcomes for participants of the Reach Ahead Pilot Program established in Sec. E.323.7 of this act; the indicators used to measure participant and Pilot Program progress; and the strategies that are implemented.

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.325 DEPARTMENT FOR CHILDREN AND FAMILIES – OFFICE OF ECONOMIC OPPORTUNITY

(a) Of the General Fund appropriation in Sec. B.325 of this act, $18,776,814 shall be granted to community agencies to assist individuals experiencing homelessness 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.

(b) Of the General Fund appropriation in Sec. B.325 of this act, $170,301 shall be granted to community agencies for financial coaching.

Sec. E.325.1 CHILD CARE FACILITIES FINANCING PROGRAM

(a) 33 V.S.A. § 3521 (Child Care Facilities Financing Program established) is repealed.

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.329 18 V.S.A. § 8725 is amended to read:

§ 8725. SYSTEM OF CARE PLAN

* * *

(e) Notwithstanding 2 V.S.A. § 20(d), on or before ~~January~~ February 15 of each year, the Department shall report to the Governor and the committees of jurisdiction regarding implementation of the plan, the extent to which the principles of service set forth in section 8724 of this title are achieved, and whether people with a developmental disability have any unmet service needs, including the number of people on waiting lists for developmental services.

* * *

Sec. E.330 SENIOR MEALS; MEAL PROVIDER EQUITY

(a) The Department of Disabilities, Aging, and Independent Living shall, in collaboration with the Vermont Area Agencies on Aging and the Vermont Association of Senior Centers and Meal Providers, identify a mechanism for the direct distribution of the funds appropriated to the Department in Sec. B.330 of this act that ensures equity among meal providers to support quality meals and limit administrative costs.

Sec. E.333 DEPARTMENT OF DISABILITIES, AGING, AND INDEPENDENT LIVING; QUALITY AND PROGRAM PARTICIPANT SPECIALIST POSITIONS

(a) The five Department of Disabilities, Aging, and Independent Living Quality and Program Participant Specialist positions created in Sec. E.100 of this act shall be dedicated exclusively to the Developmental Disabilities Services division of the Department to ensure that quality oversight on-site

visits for designated and specialized service agencies are performed at least annually and that Home and Community Based Services quality standards are implemented.

Sec. E.334 NURSING HOME RATE SETTING

(a) The Department of Disabilities, Aging, and Independent Living and the Department of Vermont Health Access shall report to the House Committees on Human Services and on Appropriations and the Senate Committees on Health and Welfare and on Appropriations not later than December 15, 2023 on the budgetary impact of eliminating the minimum occupancy threshold in the nursing home rate setting process and reducing the minimum occupancy threshold to not more than 80 percent in the nursing home rate setting process. The report shall include a recommendation on whether to eliminate or reduce the minimum occupancy requirement, timeline, and next steps for implementing the recommendation and anticipated impact on sustainability of Vermont nursing homes.

Sec. E.335 28 V.S.A. § 126 is added to read:

§ 126. DEPARTMENT OF CORRECTIONS; PEER SUPPORT PROGRAM; CONFIDENTIALITY

(a) As used in this section:

(1) "Department" has the same meaning as in subdivision 3(4) of this title.

(2) "Participant" means a Department staff member who has been involved in a traumatic incident by reason of employment at the Department and who has agreed to participate in the Department's peer support program.

(3) "Peer support" means appropriate support and services offered by a peer support specialist to a participant.

(4) "Peer support program" means a program established by the Department of Corrections to provide appropriate peer support services to Department staff members.

(5) "Peer support session" means a peer support program session for a Department staff member who has been involved in a traumatic incident by reason of employment at the Department or related to other personal matters.

(6) "Peer support specialist" means a Department staff member who, by reason of the staff member's prior experience, training, or interest, has expressed a desire and has been selected to provide appropriate peer support services to a participant.

(7) "Staff member" means a supervising officer as defined in subdivision 3(9) of this title, a correctional officer as defined in subdivision 3(10) of this title, and any other employee of the Department.

(b)(1) Except as provided in subsection (d) of this section, any communication made by a participant or peer support specialist in a peer support session of the peer support program, including any oral or written information conveyed during a peer support session, shall not be disclosed by any individual participating in the peer support session.

(2) Except as provided by subsection (d) of this section, any communication relating to a peer support session between peer support specialists, between peer support specialists and participants of the peer support program, between participants of the peer support program, or between any other Department staff member, including any oral or written information, shall not be disclosed by any individual participating in the communication.

(3) Written communications described in this subsection, such as notes, records, and reports related to a peer support session, are exempt from public inspection and copying under the Public Records Act and shall be kept confidential. The Public Records Act exemptions created in this section shall not be subject to the provisions of 1 V.S.A. § 317(e) (repeal of Public Records Act exemptions).

(c) Except as provided by subsection (d) of this section, any communication made by a participant or peer support specialist in a peer support session, including any oral or written communication, such as notes, records, and reports related to the peer support session, shall not be admissible in a judicial, administrative, or arbitration proceeding. Limitations on disclosure imposed by this subsection include disclosure during any discovery conducted as part of an adjudicatory proceeding. Limitations on disclosure imposed by this subsection shall not include knowledge acquired by the Department or staff members from observations made during the course of employment or information acquired by the Department or staff members during the course of employment that is otherwise subject to discovery or introduction into evidence.

(d)(1) Confidentiality protections described in subsections (b) and (c) of this section shall only apply to a peer support session conducted by an individual who has:

(A) been designated by the Department or the peer support program to act as a peer support specialist; and

(B) received and completed training in peer support and providing emotional and moral support to Department staff members who have been involved in emotionally traumatic incidents by reason of their employment or other personal matters.

(2) Confidentiality protections described in subsections (b) and (c) of this section shall not apply to the following information as it pertains to an individual designated to receive such information in the normal course the individual's professional responsibilities:

(A) any threat of suicide or homicide made by a participant of a peer support session or any information conveyed in a peer support session relating to a threat of suicide or homicide;

(B) any information relating to the abuse of a child or vulnerable adult, or other information that is required to be reported by law;

(C) any admission of criminal conduct; or

(D) any admission of a plan to commit a crime.

(e) Nothing in this section shall prohibit any communications between peer support specialists regarding a peer support session or between peer support specialists and participants of the peer support program.

Sec. E.338 CORRECTIONS – CORRECTIONAL SERVICES

(a) Notwithstanding 32 V.S.A. § 3709(a), the special funds appropriation 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.

Sec. E.338.1 13 V.S.A. § 7554b is amended to read:

§ 7554b. HOME DETENTION PROGRAM

(a) Definition. As used in this section, "home detention" means a program of confinement and supervision that restricts a defendant to a preapproved residence continuously, except for authorized absences, and is enforced by appropriate means of surveillance and electronic monitoring by the Department of Corrections, including the use of passive electronic monitoring. The court may authorize scheduled absences such as for work, school, or treatment. Any changes in the schedule shall be solely at the discretion of the Department of Corrections. A defendant who is on home detention shall remain in the custody of the Commissioner of Corrections with conditions set by the court.

* * *

Sec. E.338.2 HOME DETENTION PROGRAM; REVIEW; REPORT

(a) The Joint Legislative Justice Oversight Committee shall review the Home Detention Program under 13 V.S.A. § 7554b, including its historical and current use, defendant eligibility criteria, and any potential changes to the types of crimes for which it can be used.

(b) On or before November 15, 2023, the Committee shall submit any findings resulting from its review in the form of proposed legislation to the General Assembly.

Sec. E.338.3 REPEALS

(a) 13 V.S.A. § 7554(a)(1)(G) (Release prior to trial; reference to 13 V.S.A. § 7554d) is repealed.

(b) 13 V.S.A. § 7554(a)(2)(F) (Release prior to trial; reference to 13 V.S.A. § 7554d) is repealed.

(c) 13 V.S.A. § 7554d (Electronic Monitoring Pilot Program) is repealed.

Sec. E.338.4 28 V.S.A. chapter 11 is amended to read:

CHAPTER 11. SUPERVISION OF ADULT INMATES AT THE CORRECTIONAL FACILITIES

* * *

Subchapter 1A. Offender Reintegration

* * *

§ 722. DEFINITIONS

As used in this subchapter:

(1) "Absconding" means:

(A) the offender has not met supervision requirements, cannot be located with reasonable efforts, and has not made contact with Department staff within three days if convicted of a listed crime as defined in 13 V.S.A. § 5301(7) or seven days if convicted of an unlisted crime;

(B) the offender flees from Department staff or law enforcement; or

(C) the offender left the State without Department authorization.

(2) "Conditional reentry" means the process by which a sentenced offender is released into a community for supervision while participating in programs that assist the reintegration process. The offender's ability to remain in the community under supervision is conditioned on the offender's progress in reentry programs.

~~(2)~~(3) "Listed crime" means any offense identified in 13 V.S.A. § 5301(7).

(4) "Technical violation" means a violation of conditions of furlough that does not constitute a new crime.

~~(3)~~(5) "Total effective sentence" means the sentence imposed under 13 V.S.A. §§ 7031 and 7032 as calculated by the Department in the offender's records.

~~(4)~~(6) "Unlisted crime" means any offense that is a crime under Vermont law, but is not identified in 13 V.S.A. § 5301(7).

* * *

§ 724. TERMS AND CONDITIONS OF COMMUNITY SUPERVISION FURLOUGH

* * *

(d) Technical violations.

~~(1) As used in this section, "technical violation" means a violation of conditions of furlough that does not constitute a new crime.~~

~~(2)~~ It shall be abuse of the Department's discretion to revoke furlough or interrupt furlough status for 90 days or longer for a technical violation, unless:

~~(A)~~(1) The offender's risk to reoffend can no longer be adequately controlled in the community, and no other method to control noncompliance is suitable.

~~(B)~~(2) The violation or pattern of violations indicate the offender poses a danger to others.

~~(C)~~(3) The offender's violation is absconding from community supervision furlough. As used in this subdivision, "absconding" means:

~~(i) the offender has not met supervision requirements, cannot be located with reasonable efforts, and has not made contact with Department staff within three days if convicted of a listed crime as defined in 13 V.S.A. § 5301(7) or seven days if convicted of a crime not listed in 13 V.S.A. § 5301(7);~~

~~(ii) the offender flees from Department staff or law enforcement;~~ ~~or~~

~~(iii) the offender left the State without Department authorization.~~

* * *

§ 808e. ABSCONDING FROM FURLOUGH; WARRANT

(a) "Absconded" has the same meaning as "absconding" as defined in subdivision 724(d)(2)(C) of this title.

(b) The Commissioner of Corrections may issue a warrant for the arrest of a person who has absconded from furlough status in violation of subsection 808(a) or section 723 or 808a~~, 808b, or 808c~~ of this title, requiring the person to be returned to a correctional facility. A law enforcement officer who is provided with a warrant issued pursuant to this section shall execute the warrant and return the person who has absconded from furlough to the Department of Corrections.

~~(b)~~(c) A person for whom an arrest warrant is issued pursuant to this section shall not earn credit toward service of ~~his or her~~ the person's sentence for any days that the warrant is outstanding.

* * *

Sec. E.345 HOSPITAL SYSTEM TRANSFORMATION PLANNING; PILOT PROJECTS; UPDATE

(a) The Green Mountain Care Board Shall submit an update to the Health Reform Oversight Committee on or before November 1, 2023 regarding the financial status of hospitals as reflected in the fiscal year 2022 actual operating results, any early indications for fiscal year 2023 hospital budget performance, and an overview of the fiscal year 2024 budget guidance provided to hospitals. The update shall address how budget guidance development aligns with the intent and requirements of 2022 Acts and Resolves No. 167.

* * * General 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.500.1 16 V.S.A. § 4018 is added to read:

§ 4018. AFTERSCHOOL AND SUMMER LEARNING PROGRAMS

(a) Education Fund grants in an amount equal to the receipts from the sales and use tax imposed by 32 V.S.A. chapter 233 on retail sales of cannabis or cannabis products in this State, net of any administrative costs per subsection

(b)(4) of this section, shall be used to fund grant programs for the expansion of summer and afterschool programs with an emphasis on increasing access in underserved areas of the State.

(b) The Secretary of Education shall administer the grant programs, as follows:

(1) Grants shall be used to support a mixed delivery system for afterschool and summer programming. Eligible recipients can be public, private, or nonprofit organizations.

(2) Grants may be used for technical assistance, program implementation, program expansion, program sustainability, and related costs.

(3) Grants may be used to directly target communities with low existing capacity to serve youth in afterschool and summer settings.

(4) The Agency may use up to $500,000 for administrative costs to allow for the support of the grant program and technical assistance to communities. This could include subcontracts to support the grant programs.

(c) An Advisory Committee is created to support the Secretary of Education in administering funds pursuant to this section. The Agency shall provide administrative and technical support to the Committee. The Committee is to be composed of:

(1) the State's Chief Prevention Officer;

(2) the Commissioner for Children and Families or designee;

(3) the Commissioner of Health or designee;

(4) the Commissioner of Mental Health or designee;

(5) the Secretary of Natural Resources or designee;

(6) the Secretary of Commerce and Community Development or designee;

(7) the Vermont Afterschool Executive Director or designee; and

(8) a representative from the Governor's Office.

(d) On or before each November 15, the Agency of Education shall submit to the General Assembly a plan to fund grants in furtherance of the purposes of subsection (a) of this section and report outcomes data on the grants made during the previous year. The Agency shall also report on the number of programs, slots, weeks, or hours; geographic distribution; and what is known about costs to families. The report should be inclusive of 21C programming. The amount of grant funds awarded shall be in alignment with the actual

revenue collected from the sales and use tax imposed by 32 V.S.A. § 233 on cannabis or cannabis products in this State. Discrepancies between the amount of grant funds awarded and actual revenue shall be reconciled through the budget adjustment process. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the plan to be made under this subsection.

Sec. E.500.2 REPEALS

(a) 2020 Acts and Resolves No. 164, Secs. 17c (dedicated use of sales and use tax on cannabis) and 17d (annual budgeting of sales and use tax revenue) are repealed.

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 $4,195,600 shall be used by the Agency of Education in fiscal year 2024 as funding for 16 V.S.A. § 2967(b)(2)–(6). In distributing such funds, the Secretary will not be limited by the restrictions contained within 16 V.S.A. § 2969(c)–(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 ADULT BASIC EDUCATION AND LITERACY HSCP STUDENT ACCESS STUDY; REPORT

(a) The High School Completion Program (HSCP) is experiencing decreased enrollment due to the COVID-19 pandemic, policy changes within the program, and lower literacy skills that limit acceptance into the program. Adult basic education programs overall are experiencing funding reductions due to decreased enrollment.

(b) There is created the Adult Education and Literacy HSCP Student Access Study Committee to review and report on decreased HSCP enrollment and subsequent adult basic education funding issues. The Committee shall make recommendations to the Joint Fiscal Committee, the General Assembly, and the Agency of Administration on or before January 15, 2024 to increase enrollment in HSCP.

(c) Membership. The Committee shall be composed of the following members:

(1) a current member of the House, who shall be appointed by the Speaker of the House;

(2) a current member of the Senate, who shall be appointed by the Committee on Committees;

(3) the Secretary of Education or designee;

(4) the Executive Director of Racial Equity or designee; and

(5) the Executive Director of Central Vermont Adult Basic Education or designee.

(d) Powers and duties. The Committee shall review and make recommendations to reduce barriers for vulnerable Vermonters, including English learner applicants to Adult Education Programs, including any discrepancies between admission and testing standards for English learner applicants and all other applicants. The Committee shall provide recommendations in its report to the Joint Fiscal Committee and the House and Senate Committees on Education on how to increase equity and education access to Adult Education Programs. The Committee shall include in its report any administrative changes that could be made to help achieve these goals.

(e) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Agency of Education.

(f) The Committee shall submit a written report to the Joint Fiscal Committee, the General Assembly, and the Agency of Administration on or before January 15, 2024 with its findings and any recommendations for legislative action based on the analysis conducted pursuant to subsection (d) of this section. It is the intent of the General Assembly that the Committee report be used to inform fiscal year 2025 budget considerations and that the recommendations of the Committee be implemented to increase HSCP enrollment.

(g) The Secretary of Education or designee shall call the first meeting of the Committee. The Committee shall hold not more than five meetings, the first of which shall be on or before September 15, 2023.

Sec. E.504.1 EDUCATION – FLEXIBLE PATHWAYS

(a) Of the appropriation in Sec. B.504 of this act, $1,900,000 from the Education Fund will be distributed to school districts for reimbursement of high school completion services pursuant to 16 V.S.A. § 943(c).

(b) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, 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) $2,000,000 is available to support the Vermont Virtual Learning Cooperative at the River Valley Technical Center School District;

(3) $400,000 is available for secondary school reform grants;

(4) $4,000,000 is available for Early College pursuant to 16 V.S.A. § 946.

(c) Of the appropriation in Sec. B.504 of this act, $921,500 from the General Fund is available for dual enrollment programs.

Sec. E.511.1 MORATORIUM ON APPROVAL OF NEW APPROVED INDEPENDENT SCHOOLS

(a) Notwithstanding any provision of law to the contrary, the State Board of Education shall be prohibited from approving an application for initial approval of an approved independent school until further direction by the General Assembly.

Sec. E.514 VERMONT STATE TEACHERS' RETIREMENT SYSTEM

(a) The total annual employer contribution to the Vermont State Teachers' Retirement System (VSTRS) in fiscal year 2024 shall be $203,281,051.

(b) In accordance with 16 V.S.A. § 1944(g)(2), the annual contribution to the Vermont State Teachers' Retirement System (VSTRS) shall be $194,281,051 of which $184,811,051 shall be the State's contribution and $9,470,000 shall be contributed from local school systems or educational entities pursuant to 16 V.S.A. § 1944(c).

(c) In accordance with 16 V.S.A. § 1944(c)(2), of the annual contribution, $34,825,673 is the "normal contribution," and $159,455,378 is the "accrued liability contribution."

(d) In accordance with 16 V.S.A. § 1944(c)(13)(A), $9,000,000 shall be contributed from the General Fund for a supplemental plus accrued liability contribution.

Sec. E.514.1 VERMONT STATE TEACHERS' RETIREMENT SYSTEM AND VERMONT PENSION INVESTMENT COMMISSION; OPERATING BUDGET, SOURCE OF FUNDS

(a) Of the $3,448,255 appropriated in Sec. B.514.1 of this act, $2,401,835 constitutes the Vermont State Teachers' Retirement System operating budget, and $1,046,420 constitutes the portion of the Vermont Pension Investment Commission's budget attributable to the Vermont State Teachers' Retirement System.

Sec. E.514.2 VERMONT STATE TEACHERS' RETIREMENT SYSTEM; CALENDAR YEAR 2023–2024 SUPPLEMENTAL COST OF LIVING PAYMENTS; INTENT; ACTUARIAL COST ANALYSIS

(a) Intent. It is the intent of the General Assembly that:

(1) The maximum percentage value methodology set forth in 16 V.S.A. § 1949 that applies to the postretirement adjustment allowances for the Vermont State Teachers' Retirement System (VSTRS) shall be actuarially evaluated to determine the cost required to revert to the methodology used prior to the enactment of 2016 Acts and Resolves No. 114.

(2) The General Assembly further intends to make such a reversion by future legislative action amending 16 V.S.A. § 1949, provided that the present value of changes to the postretirement adjustment allowance methodology be fully funded at the time the change is made and not increase the unfunded liability in VSTRS.

(3) The General Assembly further intends that if the June 30, 2023, change in the Consumer Price Index exceeds the statutory maximum percentage values set forth in 16 V.S.A. § 1949 (b)(1), the General Assembly will provide a sufficient appropriation in the 2024 Budget Adjustment Act to make a one-time supplemental payment, similar in form to that described in subsection (b) of this section, to qualifying VSTRS retired members and beneficiaries in calendar year 2024.

(b) Calendar year 2023 supplemental payment. A one-time supplemental payment during calendar year 2023 shall be made to VSTRS retired members and beneficiaries who received a 2.5 percent postretirement adjustment allowance in an amount equal to the net difference between what members actually received in calendar year 2023 and what they would have received under a 3.8 percent postretirement adjustment allowance.

(c) Actuarial cost analysis. Following the completion of the next experience study, expected in fall 2023, the State Treasurer shall conduct an actuarial analysis to evaluate the cost of changing the current methodology for calculating the postretirement adjustment allowance for the Vermont State Teachers' Retirement System to a methodology calculated by applying the maximum percentage values set forth in 16 V.S.A. § 1949(b)(1) to the postretirement adjustment allowance rather than applying the statutory maximum percentage values to the net percentage change in the Consumer Price Index. The actuarial analysis shall take into account any changes to

actuarial assumptions that may occur following the experience study to be performed at the end of fiscal year 2023, as required by 16 V.S.A. § 1942.

(d) Report. Based on the actuarial cost analysis described in subsection (c) of this section, on or before January 15, 2024, the State Treasurer shall submit a report to the House and Senate Committees on Appropriations with an actuarial cost estimate for changing the VSTRS postretirement adjustment allowance methodology as set forth in subsection (c) of this section.

Sec. E.514.3 16 V.S.A. § 1944 is amended to read:

§ 1944. VERMONT TEACHERS' RETIREMENT FUND

(a) Pension Fund. All of the assets of the System shall be credited to the Vermont Teachers' Retirement Fund.

(b) Member contributions.

(1) Contributions deducted from the compensation of members shall be accumulated in the Pension Fund and separately recorded for each member.

(2) The proper authority or officer responsible for making up each employer payroll shall cause to be deducted from the compensation:

(A) Of each Group A member, five and one-half percent of the member's total earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title.

(B) Of each Group C member, the following shall apply:

* * *

(ii) Beginning on July 1, 2023, a Group C member shall have the rate set forth in this subdivision (b)(2)(B)(ii) applied to the member's total earnable compensation for the fiscal year, which shall include compensation paid for absence as provided by subsection 1933(d) of this title, and any additional stipends identified as of July 1. A member's rate shall not be adjusted during the fiscal year unless the member's full-time equivalency status changes, which shall require that the member's rate be recalculated and the new rate applied for the remainder of that fiscal year. For a member who works a part-time equivalency status, the rate shall apply to the member's total earnable compensation and not to an amount equal to an annualized base salary. If a member is employed on a part-time equivalency status with two or more employers, the highest rate shall be applied to the amounts deducted from each employer. A member's rate shall be calculated according to the following rates and income brackets:

* * *

(iii) ~~Beginning on July 1, 2024 and annually thereafter, a Group C member shall have an effective rate, rounded to the nearest hundredth of a percent, that is calculated based on the member's base salary as of July 1 each year, which equals the member's total earnable compensation, including compensation paid for absence as provided by subsection 1933(d) of this title, and any additional stipends identified as of July 1 for the next fiscal year. A member's effective rate shall not be adjusted during any fiscal year unless the member's full-time equivalency status changes, which shall require that the member's effective rate be recalculated and the new rate applied for the remainder of that fiscal year. For a member who works a part-time equivalency status, the effective rate shall apply to the member's total earnable compensation and not to an amount equal to an annualized base salary. If a member is employed on a part-time equivalency status with two or more employers, the highest effective rate shall be applied to the amounts deducted from each employer~~. Beginning on July 1, 2024, a Group C member shall have the rate set forth in this subdivision (b)(2)(B)(iii) applied to the member's total earnable compensation for the fiscal year, which shall include compensation paid for absence as provided by subsection 1933(d) of this title, and any additional stipends identified as of July 1. A member's rate shall not be adjusted during the fiscal year unless the member's full-time equivalency status changes, which shall require that the member's rate be recalculated and the new rate applied for the remainder of that fiscal year. For a member who works a part-time equivalency status, the rate shall apply to the member's total earnable compensation and not to an amount equal to an annualized base salary. If a member is employed on a part-time equivalency status with two or more employers, the highest rate shall be applied to the amounts deducted from each employer. A member's ~~effective~~ rate shall be calculated according to the following ~~marginal~~ rates and income brackets:

(I) if a member's base salary is at or below $40,000.00, the rate is ~~6.25~~ 6.15 percent;

(II) if a member's base salary is $40,000.01 or more but not more than ~~$60,000.00, the rate is the equivalent of $2,900.00 on $40,000.00 and 6.75 percent of the member's salary that is $40,000.01 or more~~ $50,000.00, the rate is 6.20 percent;

(III) if a member's base salary is ~~$60,000.01~~ $50,000.01 or more but not more than ~~$80,000.00~~ $60,000.00, the rate is ~~the equivalent of $3,850.00 on $60,000.00 and 7.5 percent of the member's salary that is $60,000.01 or more~~ 6.30 percent;

(IV) if a member's base salary is ~~$80,000.01~~ $60,000.01 or more but not more than ~~$100,000.00~~ $70,000.00, the rate is ~~the equivalent of $5,350.00 on $80,000.00 and 8.25 percent of the member's salary that is $80,000.01 or more~~ 6.40 percent; ~~and~~

(V) if a member's base salary is ~~$100,000.01~~ $70,000.01 or more but not more than $80,000.00, the rate is ~~the equivalent of $7,000.00 on $100,000.00 and 9.0 percent of the member's salary that is $100,000.01 or more~~ 6.55 percent.

(VI) If a member's base salary is $80,000.01 or more but not more than $90,000.00, the rate is 6.80 percent.

(VII) If a member's base salary is $90,000.01 or more but not more than $100,000.00, the rate is 7.10 percent.

(VIII) If a member's base salary is $100,000.01 or more, the rate is 7.35 percent.

Sec. E.515 RETIRED TEACHERS' HEALTH CARE AND MEDICAL BENEFITS

(a) In accordance with 16 V.S.A. § 1944b(b)(2), and 16 V.S.A. § 1944b(h)(1), the annual contribution to the Retired Teachers' Health and Medical Benefits plan shall be $61,290,528, of which $53,740,528 shall be the State's contribution and $7,550,000 shall be from the annual charge for teacher health care contributed by employers pursuant to 16 V.S.A. §1944d. Of the annual contribution, $17,589,046 is the "normal contribution," and $43,701,482 is the "accrued liability contribution."

* * * 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 the Experimental Program to Stimulate Competitive Research (EPSCoR) to comply 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 to comply with State matching fund requirements necessary for the receipt of available federal or private funds, or both.

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 Sec. 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 this appropriation, not more than $300,000 may be used by VSAC for a student aspirational initiative to serve one or more high schools.

(c) Of the appropriated amount remaining after accounting for subsections (a) and (b) of this section, not less than 93 percent of this appropriation shall be used for direct student aid.

(d) Up to seven percent of the funds appropriated to VSAC in this act or otherwise currently or previously appropriated to VSAC or provided to VSAC by an agency or department of the State for the administration of a program or initiative may be used by VSAC for its costs of administration. VSAC may recoup its reasonable costs of collecting the forgivable loans in repayment. Funds shall not be used for indirect costs. To the extent these are federal funds, allocation for expenses associated with administering the funds shall be consistent with federal grant requirements.

(e) $1,000,000 of the General Fund appropriation in Sec. B.605 of this act shall be used to continue operating the Vermont Trades Scholarship Program in accordance with 2022 Acts and Resolves No. 183, Sec. 14.

Sec. E.605.1 NEED-BASED STIPEND FOR DUAL ENROLLMENT AND EARLY COLLEGE STUDENTS

(a) Notwithstanding any provision of 16 V.S.A. § 4025 to the contrary, 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. The Vermont Student Assistance Corporation 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) On or before January 15, 2024, the Vermont Student Assistance Corporation shall report on the program to the House Committees on Appropriations and on Commerce and Economic Development and the Senate Committees on Appropriations and on Economic Development, Housing and General Affairs.

Sec. E.700 3 V.S.A. § 6006 is amended to read:

* * *

(d) Membership.

* * *

(7) Members of the Advisory Council who are not State employees shall be entitled to per diem compensation and reimbursement of expenses for each day spent in the performance of their duties, as permitted under 32 V.S.A. § 1010. These payments shall be made from monies appropriated to the Agency of Natural Resources.

* * *

Sec. E.702 10 V.S.A. § 4829(a) is amended to read:

(a) A person engaged in the business of farming who suffers damage by deer to the person's crops, fruit trees, or crop-bearing plants on land not posted against the hunting of deer, or a person engaged in the business of farming who suffers damage by black bear to the person's cattle, sheep, swine, poultry, or bees or bee hives on land not posted against hunting or trapping of black bear is entitled to reimbursement for the damage up to an amount not to exceed $5,000.00 per year, and may apply to the Department of Fish and Wildlife within 72 hours of the occurrence of the damage for reimbursement for the damage. As used in this section, "post" means any signage that would lead a reasonable person to believe that hunting is prohibited on the land.

* * *

Sec. E.811 LAND ACCESS AND OPPORTUNITY BOARD; ATTACHMENT FOR ADMINISTRATION; REPORT

(a) On or before December 15, 2024, the Land Access and Opportunity Board shall submit a written report to the House Committees on Appropriations and on Government Operations and Military Affairs and the Senate Committees on Appropriations and on Government Operations regarding the appropriate State entity for the Board to be attached to for administrative purposes. The report shall, in consideration of the mission, powers, and duties of the Board, identify various State entities to which the Board could be attached for administrative purposes and shall examine the potential benefits and drawbacks of the Board being attached to each of the entities identified. The report shall consider the benefits and drawbacks of the Board continuing to be attached to the Vermont Housing and Conservation Board for administrative purposes.

Sec. E.900 TRANSPORTATION FUND RESERVE – REVERSIONS EXCLUDED

(a) To calculate the fiscal year 2024 Transportation Fund Stabilization Reserve requirement of five percent of prior year appropriations, reversions of $20,727,012 are excluded from the fiscal year 2023 total appropriations amount.

Sec. E.1000 2022 Acts and Resolves No. 83 Sec. 53(b)(5)(B), as amended by 2022 Acts and Resolves No. 185, Sec. C.102, is further amended to read:

(B) $20,000,000 shall be appropriated to the State Treasurer's Office and used for redeeming State of Vermont general obligation bonds prior to maturity. ~~Notwithstanding 32 V.S.A. §1001b(e), beginning in fiscal year 2024, to the extent bonds are redeemed, an amount equal to the reduction in payments for debt service required resulting from any redemption shall be transferred and reserved in the Capital Expenditure Cash Fund, as establish in 32 V.S.A. §1001b created in Sec. E.106.1 of H.740 of 2022.~~

* * * Workforce and Economic Development Policies (H.484) * * *

Sec. F.1 TEACHER LICENSING FEES; SUSPENSION

(a) Notwithstanding any provision of law to the contrary, peer review process one-time licensure fee requirements under 16 V.S.A. § 1697(a)(7) are suspended during fiscal years 2024 through 2029.

(b) In fiscal year 2024, the estimated fees that would have been collected under 16 V.S.A. § 1697(a)(7) shall be accounted for through funds appropriated to the Agency of Education from the General Fund.

Sec. F.2 EDUCATOR WORKFORCE DIVERSITY

(a) Educator demographics. In order to understand and improve the longstanding and well-documented issue of underrepresentation in the Vermont educator workforce, including underrepresentation of Black, Indigenous, and Persons of Color; New Americans; and other historically underrepresented communities, the Agency of Education shall collect demographic information from educators and report such information in its annual teacher and staff full-time equivalencies report. The Agency shall submit the educator demographic information section of the report annually to the General Assembly on or before each January 15.

Sec. F.3 18 V.S.A. § 39 is added to read:

§ 39. VERMONT PSYCHIATRIC MENTAL HEALTH NURSE PRACTITIONER FORGIVABLE LOAN INCENTIVE PROGRAM

(a) As used in this section:

(1) "Corporation" means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) "Eligible individual" means an individual who satisfies the eligibility requirements under this section for a forgivable loan.

(3) "Eligible school" means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) "Forgivable loan" means a loan awarded under this section covering tuition, which may also cover room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(5) "Program" means the Vermont Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program created under this section.

(b) The Vermont Psychiatric Mental Health Nurse Practitioner Forgivable Loan Incentive Program is created and shall be administered by the Corporation in collaboration with the Department of Health. The Program provides forgivable loans to students enrolled in a master's program at an eligible school who commit to working as a psychiatric mental health nurse practitioner in this State and who meet the eligibility requirements in subsection (d) of this section.

(c) The Corporation shall disburse forgivable loan funds under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be enrolled at an eligible school in a program, whether through in-person or remote instruction, that leads to a master's degree or specialty in psychiatric mental health;

(2) maintain good standing at the eligible school at which the individual is enrolled;

(3) agree to work as a psychiatric mental health nurse practitioner in Vermont for a minimum of one year following licensure for each year of forgivable loan awarded;

(4) have executed a credit agreement or promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, pursuant to subsection (f) of this section, if the individual fails to complete the period of service required in subdivision (3) of this subsection;

(5) have completed the Program's application form and the Free Application for Federal Student Aid (FAFSA), in accordance with a schedule determined by the Corporation; and

(6) have provided such other documentation as the Corporation may require.

(e) If an eligible individual fails to serve as a psychiatric mental health nurse practitioner in this State in compliance with the Program for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free reimbursement promissory note signed by the individual at the time of entering the Program.

(f) The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, including maximum forgivable loan amounts.

Sec. F.4 18 V.S.A. § 40 is added to read:

§ 40. VERMONT DENTAL HYGIENIST FORGIVABLE LOAN INCENTIVE PROGRAM

(a) As used in this section:

(1) "Corporation" means the Vermont Student Assistance Corporation established in 16 V.S.A. § 2821.

(2) "Eligible individual" means an individual who satisfies the eligibility requirements under this section for a forgivable loan.

(3) "Eligible school" means an approved postsecondary education institution, as defined under 16 V.S.A. § 2822.

(4) "Forgivable loan" means a loan awarded under this section covering tuition, which may also include room, board, and the cost of required books and supplies for up to full-time attendance at an eligible school.

(5) "Program" means the Vermont Dental Hygienist Forgivable Loan Incentive Program created under this section.

(b) The Vermont Dental Hygienist Forgivable Loan Incentive Program is created and shall be administered by the Department of Health in collaboration with the Corporation. The Program provides forgivable loans to students enrolled in an eligible school who commit to working as a dental hygienist in this State and who meet the eligibility requirements in subsection (d) of this section.

(c) The Corporation shall disburse forgivable loan funds under the Program on behalf of eligible individuals, subject to the appropriation of funds by the General Assembly for this purpose.

(d) To be eligible for a forgivable loan under the Program, an individual, whether a resident or nonresident, shall satisfy all of the following requirements:

(1) be enrolled at a dental hygienist program at an eligible school;

(2) maintain good standing at the eligible school at which the individual is enrolled;

(3) agree to work as a dental hygienist in Vermont for a minimum of one year following licensure for each year of forgivable loan awarded;

(4) have executed a credit agreement or promissory note that will reduce the individual's forgivable loan benefit, in whole or in part, pursuant to subsection (g) of this section, if the individual fails to complete the period of service required in this subsection;

(5) have completed the Program's application form, the Free Application for Federal Student Aid (FAFSA), and the Vermont grant application each academic year of enrollment in accordance with a schedule determined by the Corporation; and

(6) have provided such other documentation as the Corporation may require.

(e) If an eligible individual fails to serve as a dental hygienist in this State for a period that would entitle the individual to the full forgivable loan benefit received by the individual, other than for good cause as determined by the Corporation in consultation with the Vermont Department of Health, then the individual shall receive only partial loan forgiveness for a pro rata portion of the loan pursuant to the terms of the interest-free credit agreement or promissory note signed by the individual at the time of entering the Program.

(f) There shall be no deadline to apply for a forgivable loan under this section. Forgivable loans shall be awarded on a rolling basis as long as funds are available, and any funds remaining at the end of a fiscal year shall roll over and shall be available to the Department of Health and the Corporation in the following fiscal year to award additional forgivable loans as set forth in this section.

(g) The Corporation shall adopt policies, procedures, and guidelines necessary to implement the provisions of this section, including maximum forgivable loan amounts.

Sec. F.5 BROWNFIELDS FUNDING; USE IN FISCAL YEAR 2024

(a) The Department of Economic Development shall use the funds appropriated in Sec. B.1101(f)(4) of this act for brownfields redevelopment for the assessment, remediation, and redevelopment of brownfield sites 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 a maximum amount per site. The Agency of Commerce and Community Development shall award the amount of $1,000,000 in fiscal year 2024 to regional planning commissions for the purposes of brownfields assessment. In awarding funds under this section, the Secretary, in consultation with the Vermont Association of Planning and Development Agencies, 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.

Sec. F.6 10 V.S.A. § 6654(e) is amended to read:

(e) A grant may be awarded by the Secretary of Commerce and Community Development with the approval of the Secretary of Natural Resources, provided that:

(1) A grant may not exceed $50,000 for characterization and assessment of a site.

(2) A grant may not exceed ~~$200,000~~ $500,000 for remediation of a site.

(3) A grant may be used by an applicant to purchase environmental insurance relating to the performance of the characterization, assessment, or remediation of a Brownfield site in accordance with a corrective action plan approved by the Secretary of Natural Resources.

(4) Financial assistance may be provided to applicants by developing a risk sharing pool, an indemnity pool, or other insurance mechanism designed to help applicants.

(5) All reports generated by financial assistance from the Brownfield Revitalization Fund, including site assessments, site investigations, feasibility studies, corrective action plans, and completion reports shall be provided as hard copies to the Secretaries of Commerce and Community Development and of Natural Resources.

Sec. F.7 2021 Acts and Resolves No. 74, Sec. H.18, as amended by 2022 Acts and Resolves No. 183, Sec. 46, is further amended to read:

Sec. H.18. COMMUNITY RECOVERY AND REVITALIZATION GRANT PROGRAM

* * *

(b) Eligible applicants.

(1) To be eligible for a grant, the applicant must be located within the State and:

(A)(i) the applicant is a for-profit entity with not less than a 10 percent equity interest in the project, or a nonprofit entity, which has documented financial impacts from the COVID-19 pandemic; or

(ii) intends to utilize the funds for an enumerated use as defined in the U.S. Treasury Final Rule for Coronavirus State and Fiscal Recovery Funds;

(B)(i) the applicant is a municipality;

(ii) the municipality needs to make infrastructure improvements to incentivize community development; and

(iii) the proposed infrastructure improvements and the projected development or redevelopment are compatible with confirmed municipal and regional development plans and the project has clear local significance for employment.

(2) The applicant must demonstrate:

(A) community and regional support for the project;

(B) that grant funding is needed to complete the project;

(C) leveraging of additional sources of funding from local, State, or federal economic development programs; and

(D) an ability to manage the project, with requisite experience and a plan for fiscal viability.

(3) The following are ineligible to apply for a grant:

(A) ~~a State or local government-operated business~~ [Repealed.]

(B) 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

(C) a publicly traded company.

* * *

(k) Limited grants for operating support. Notwithstanding any provision of this section or guidelines adopted pursuant to this subsection (j) of this section to the contrary, the Secretary may award a grant of not more than $1,000,000.00 for operating support to an applicant that:

(1) is a nonprofit entity with a documented financial impact from the COVID-19 pandemic;

(2) promotes community benefit through educational services, agriculture, or food security;

(3) demonstrates a risk of losing at least 20 jobs if the operating support is not received; and

(4) is located in a rural municipality with fewer than 2,000 residents.

* * *

Sec. F.8 RURAL INDUSTRY DEVELOPMENT GRANT PROGRAM

(a) Creation; purpose.

(1) A Rural Industry Development Grant Program is created within the Agency of Commerce and Community Development to provide grant funding through local development corporations for business relocation and expansion efforts, including the purchase, demolition, and renovation of property for industrial use.

(2)(A) To the extent funding is appropriated, the Agency shall make grants through the Program to assist local development corporations with business relocation and expansion efforts throughout Vermont.

(B) The Agency shall ensure an accounting of the respective State and Grantee shares of investment in any property be maintained to refund to the State an appropriate share of any net proceeds resulting from future sale or transfer of such property acquired or improved through a grant awarded under this program.

(b) Grant considerations. In making grant awards, the Agency shall consider:

(1) the real estate needs of growing and relocating businesses, including nonprofit organizations, in the applicant's region;

(2) the ability of the proposed project to meet the site-specific needs of businesses considering whether to expand or locate in this State;

(3) the funding that the applicant has identified, or secured, to leverage a grant award; and

(4) the readiness of an applicant to move a project forward.

(c) Eligible applicants; priority.

(1) To be eligible for a grant, an applicant must be a local development corporation, as defined in subdivision 212(10) of this title, located within this State.

(2) The Secretary of Commerce and Community Development may designate projects and agreements as first priority based on rural communities that continue to experience insufficient economic and grand list growth.

(d) Eligible activities. A grant recipient may use funding for the following:

(1) to purchase land for potential industrial use;

(2) for the costs of site development, permitting, or providing infrastructure for property the recipient owns;

(3) for the equity investment required for a loan transaction through the Vermont Economic Development Authority under 10 V.S.A. chapter 12, subchapter 3; or

(4) for the matching requirement of another State or federal grant consistent with this section.

(e) Application; market assessment.

(1) An applicant shall include in its application a local and regional market assessment that demonstrates reasonable need for the proposed development and identifies imminent, potential, or existing business growth opportunities.

(2) An applicant shall submit the following to demonstrate a readiness to begin and complete the proposed project:

(A) community and regional support for the project;

(B) that grant funding is needed to complete the proposed project;

(C) an ability to manage the project, with requisite experience and a plan for fiscal viability; and

(D) a description of the permitting required to proceed with the project and a plan for obtaining the permits.

(f) Awards; amount.

(1) An award shall not exceed the lesser of $1,000,000 or 20 percent of the total project cost.

(2) A recipient may combine grant funds with funding from other sources.

(3) The Agency shall release grant funds upon determining that the applicant has met all application conditions and requirements.

(4) A grant recipient may apply for additional grant funds if future amounts are appropriated for the Program and the funds are for a separate but eligible use.

(g) Deed restrictions; property sales. The Agency shall include deed restrictions that require the return of the principal amount to the state and may require the payment of a percentage of the sales profit.

Sec. F.9 24 V.S.A. § 2799 is amended 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~~ three projects per calendar year within a municipality.

(4) The minimum amount of a grant award is $5,000, and the maximum amount of a grant award is $40,000.

(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 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. F.10 24 V.S.A. § 2792(d) is amended to read:

(d) The Department shall provide staff and administrative support to the State Board ~~and,~~ shall produce guidelines to direct municipalities seeking to obtain designation under this chapter, and shall pay per diem compensation for board members pursuant to 32 V.S.A. § 1010(b).

Sec. F.11 24 V.S.A. § 2793(b) is amended to read:

(b) ~~Within 45 days of receipt of a completed application~~ At the first meeting of the State Board held after 45 days of receipt of a completed application, the State Board shall designate a downtown development district if the State Board finds in its written decision that the municipality has:

* * *

Sec. F.12 24 V.S.A. § 2793a(b) is amended to read:

(b) ~~Within 45 days of receipt of a completed application~~ At the first meeting of the State Board held after 45 days of receipt of a completed application, the State Board shall designate a village center if the State Board finds the applicant has met the requirements of subsection (a) of this section.

Sec. F.13 24 V.S.A. § 2793b(b) is amended to read:

(b) ~~Within 45 days of receipt of a completed application~~ At the first meeting of the State Board held after 45 days of receipt of a completed application, the State Board shall designate a new town center development

district if the State Board finds, with respect to that district, the municipality has:

* * *

Sec. F.14 24 V.S.A. § 2793e(d) is amended to read:

(d) ~~Within 45 days of receipt of a completed application~~ Upon the first meeting of the State Board held after 45 days of receipt of a completed application, for designation of a neighborhood development area, the State Board, after opportunity for public comment, shall approve a neighborhood development area if the Board determines that the applicant has met the requirements of this section.

Sec. F.15 2018 Acts and Resolves No. 196, Sec. 1, as amended by 2019 Acts and Resolves No. 80, Sec. 13, is further amended to read:

Sec. 1. SIMPLIFYING GOVERNMENT FOR SMALL BUSINESSES

(a) The Secretary of ~~State~~ Digital Services shall serve as the chair of a steering committee, composed of the Secretary of State, the Secretary of Commerce and Community Development, the Secretary of Administration, and the Secretary of Digital Services or their designees.

(b) The ~~Secretary of State, in collaboration with the~~ steering committee, and in collaboration with other State agencies and departments and interested stakeholders ~~as necessary~~, shall:

(1) review and consider the necessary procedural and substantive steps to enhance the Secretary of State's one-stop business portal for businesses, entrepreneurs, and citizens to provide information about starting and operating a business in Vermont; and

(2) submit on or before December 15, ~~2019~~ 2023:

(A) a design proposal that includes a project scope, timeline, roadmap, and cost projections;

(B) any statutory or regulatory changes needed to implement the proposal; and

(C) a sustainable funding model for the portal.

(c) The steering committee shall evaluate the cost and efficacy, and integrate into the current one-stop portal to the extent feasible, features that:

(1) enhance State websites to simplify registrations and provide a ~~clear~~ comprehensive, one-stop compilation of other State business requirements, including permits and licenses;

(2) implement a data collection component that offers the registrant the option to self-identify, and make available to the public through the business search function, demographic information concerning ownership of the business, including whether the business is woman-owned, veteran-owned, BIPOC-owned, LGBTQ-owned, or minority-owned;

(3) simplify the mechanism for making payments to the State by allowing a person to pay amounts ~~he or she~~ the person owes to the State for taxes, fees, or other charges to a single recipient within State government;

~~(3)~~(4) simplify annual filing requirements by allowing a person to make a single filing to a single recipient within State government and check a box if nothing substantive has changed from the prior year;

~~(4)~~(5) provide guidance, assistance with navigation, and other support to persons who are forming or operating a small business;

~~(5)~~(6) after registration, provide information about additional and ongoing State requirements and a point of contact to discuss questions or explore any assistance needed;

~~(6)~~(7) provide guidance and information about State and federal programs and initiatives, as well as State partner organizations and Vermont-based businesses of interest; and

~~(7)~~(8) map communication channels for project updates, including digital channels such as e-mail, social media, and other communications.

(d) All State agencies and departments shall designate a single employee or team of employees who are charged with the duty to provide assistance to the steering committee upon its request.

(e) The steering committee shall focus its review on providing services through the one-stop business portal primarily for the benefit of businesses with 20 or fewer employees.

(f) The Agency of Digital Services shall assign a project manager or business analyst to report directly to the Secretary of State to assist with the implementation of this act through June 30, ~~2020~~ 2025 for the purpose of developing and implementing a one-stop navigable portal for businesses, entrepreneurs, and citizens to access information about starting a business in Vermont, and to provide ongoing support to businesses interfacing with State government.

Sec. F.16 DEPARTMENT OF CORRECTIONS PROFESSIONAL DEVELOPMENT; INTENT; CONTRACT

(a) It is the intent of the General Assembly to assist the Department of Corrections to continue and further engage in a professional development initiative to enhance supervisory effectiveness and strengthen leadership development within the Department and among its employees. The Department's enhanced supervisory training is part of its effort to address an employee workforce crisis and strengthen workplace satisfaction.

(b) The Department of Corrections shall contract or expand an existing contract with a vendor to provide supervisory and management professional development services to the Department and among its employees.

(c) On or before March 15, 2024, the Department and the contracted vendor shall testify before the General Assembly about the progress and effectiveness of its professional development initiative. The Department shall make management, supervisory, and frontline staff available to testify.

* * * Department of Motor Vehicles Fees and Motor Vehicle Purchase and Use Tax * * *

* * * Enhanced Driver's License * * *

Sec. G.100 23 V.S.A. § 7 is amended to read:

§ 7. ENHANCED DRIVER'S LICENSE; MAINTENANCE OF DATABASE INFORMATION; FEE

* * *

(d) The fee for an enhanced license shall be ~~$30.00~~ $36.00 in addition to the fees otherwise established by this title.

* * *

* * * Department of Motor Vehicles; Miscellaneous Transactions * * *

Sec. G.101 23 V.S.A. § 114 is amended to read:

§ 114. FEES

(a) The Commissioner shall be paid the following fees for miscellaneous transactions:

(1) Listings of 1 through 4 registrations	~~$8.00~~ $10.00
(2) Certified copy of registration application	~~$8.00~~ $10.00
(3) Sample plates	~~$18.00~~ $22.00

(4) Lists of registered dealers, transporters, periodic inspection stations, fuel dealers, and distributors, including gallonage sold or delivered and rental vehicle companies ~~$8.00~~ $10.00 per page

(5) [Repealed.]

(6) Periodic inspection sticker record ~~$8.00~~ $10.00

(7) Certified copy individual crash report ~~$12.00~~ $15.00

(8) Certified copy police crash report ~~$18.00~~ $22.00

(9) Certified copy suspension notice ~~$8.00~~ $10.00

(10) Certified copy mail receipt ~~$8.00~~ $10.00

(11) Certified copy proof of mailing ~~$8.00~~ $10.00

(12) Certified copy reinstatement notice ~~$8.00~~ $10.00

(13) Certified copy operator's license application ~~$8.00~~ $10.00

(14) Certified copy three-year operating record ~~$14.00~~ $17.00

(15) [Repealed.]

(16) Government official photo identification card ~~$6.00~~ $8.00

(17) Listing of operator's licenses of 1 through 4 ~~$8.00~~ $10.00

(18) Statistics and research ~~$42.00~~ $51.00 per hour

(19) Insurance information on crash ~~$8.00~~ $10.00

(20) Certified copy complete operating record ~~$20.00~~ $24.00

(21) Records not otherwise specified ~~$8.00~~ $10.00 per page

(22) Public records request for Department records requiring custom computer programming $100.00 per hour, but not less than $500.00

(23) Public records request for Department records requiring custom computer programming (updated) ~~$119.00~~ $143.00

* * *

Sec. G.102. 23 V.S.A. § 115 is amended to read:

§ 115. NONDRIVER IDENTIFICATION CARDS

(a) Any Vermont resident may make application to the Commissioner and be issued an identification card that is attested by the Commissioner as to true name, correct age, residential address unless the listing of another address is

requested by the applicant or is otherwise authorized by law, and any other identifying data as the Commissioner may require that shall include, in the case of minor applicants, the written consent of the applicant's parent, guardian, or other person standing in loco parentis. Every application for an identification card shall be signed by the applicant and shall contain such evidence of age and identity as the Commissioner may require, consistent with subsection (l) of this section. New and renewal application forms shall include a space for the applicant to request that a "veteran" designation be placed on the applicant's identification card. If a veteran, as defined in 38 U.S.C. § 101(2), requests a veteran designation and provides a Department of Defense Form 214 or other proof of veteran status specified by the Commissioner, and the Office of Veterans Affairs confirms the veteran's status as an honorably discharged veteran or a veteran discharged under honorable conditions, the identification card shall include the term "veteran" on its face. The Commissioner shall require payment of a fee of ~~$24.00~~ $29.00 at the time application for an identification card is made, except that an initial nondriver identification card shall be issued at no charge to an individual who surrenders ~~his or her~~ the individual's license in connection with a suspension or revocation under subsection 636(b) of this title due to a physical or mental condition.

(b) Every identification card shall expire, unless earlier canceled, at 12:00 midnight on the eve of the fourth anniversary of the date of birth of the cardholder following the date of original issue~~,~~ and may be renewed every four years upon payment of a ~~$24.00~~ $29.00 fee. A renewed identification card shall expire, unless earlier canceled, at 12:00 midnight on the eve of the fourth anniversary of the date of birth of the cardholder following the expiration of the card being renewed. At least 30 days before an identification card will expire, the Commissioner shall mail first-class to the cardholder or send the cardholder electronically an application to renew the identification card; a cardholder shall be sent the renewal notice by mail unless the cardholder opts in to receive electronic notification. An individual born on February 29 shall, for the purposes of this section, be considered as born on March 1.

(c) In the event an identification card is lost, destroyed, mutilated, or a new name is acquired, a replacement may be obtained upon furnishing satisfactory proof to the Commissioner and paying a ~~$20.00~~ $24.00 fee.

* * *

* * * Registration; General Provisions * * *

Sec. G.103 23 V.S.A. § 304 is amended to read:

§ 304. REGISTRATION CERTIFICATES; NUMBER PLATES; VANITY AND OTHER SPECIAL PLATES

* * *

(b) The authority to issue vanity motor vehicle number plates or special number plates for safety organizations and service organizations shall reside with the Commissioner. Determination of compliance with the criteria contained in this section shall be within the discretion of the Commissioner. Series of number plates for safety and service organizations that are authorized by the Commissioner shall be issued in order of approval, subject to the operating considerations in the Department as determined by the Commissioner. The Commissioner shall issue vanity and special organization number plates in the following manner:

(1) Vanity plates. Subject to the restrictions of this section, vanity plates shall be issued at the request of the registrant of a motor vehicle unless the vehicle is registered under the International Registration Plan, upon application and upon payment of an annual fee of ~~$48.00~~ $58.00 in addition to the annual fee for registration. The Commissioner shall not issue two sets of plates bearing the same initials or letters unless the plates also contain a distinguishing number. Vanity plates are subject to reassignment if not renewed within 60 days of expiration of the registration.

(2) Special organization plates.

* * *

(B) The officer of a safety organization or service organization may apply to the Commissioner to approve special plates indicating membership in a qualifying organization to be issued to organization members for a ~~$17.00~~ $21.00 special fee for each set of plates in addition to the annual fee for registration. The application shall include designation of an officer or member to serve as the principal contact with the Department and a distinctive name or emblem, or both, for use on the proposed special plate. The name and emblem shall not be objectively obscene or confusing to the general public and shall not promote, advertise, or endorse a product, brand, or service provided for sale. The organization's name and emblem must not infringe on or violate a trademark, trade name, service mark, copyright, or other proprietary or property right, and the organization must have the right to use the name and emblem. After consulting with the principal contact, the Commissioner shall determine the design of the special plate on the basis that the primary purpose of motor vehicle number plates is vehicle identification. An organization may have only one design, regardless of the number of individual organizational units, squads, or departments within the State that may conduct the same or substantially similar activities.

(C) After the plate design is finalized and an officer or the principal contact provides the Commissioner a written statement authorizing issuance of the plates, the organization shall deposit ~~$2,200.00~~ $2,600.00 with the Commissioner. Of this deposit, $500.00 shall be retained by the Department to recover costs of developing the organization plate. Notwithstanding 32 V.S.A. § 502, the Commissioner may charge the actual costs of production of the plates against the fees collected and the balance shall be deposited in the Transportation Fund. Upon application, special plates shall be issued to a registrant of a vehicle registered at the pleasure car rate or of a truck registered for less than 26,001 pounds (but excluding trucks registered under the International Registration Plan) who furnishes the Commissioner satisfactory proof that ~~he or she~~ the registrant is a member of an organization that has satisfied the requirements of this subdivision (b)(2). For each of the first 100 applicants to whom sets of plates are issued, the ~~$17.00~~ $21.00 special plate fee shall not be collected and shall be subtracted from the balance of the deposit. When the ~~$1,700.00~~ $2,100.00 balance of the deposit is depleted, applicants shall be required to pay the ~~$17.00~~ $21.00 fee as provided for in subdivision (2)(B) of this subsection. No organization shall charge its members any additional fee or premium charge for the authorization, right, or privilege to display special number plates, but any organization may recover up to ~~$1,700.00~~ $2,100.00 from applicants for the special plates.

* * *

(f) Upon the request of a registrant of a motor vehicle with the previous issue number plates, the Commissioner shall issue current issue number plates bearing the same number as shown on the previous issue plates that are being replaced. The initial one-time fee for the plates shall be ~~$24.00~~ $29.00 in addition to the regular registration fee. Official plates and plates with numbers of 9999 or lower are specifically exempted.

* * *

Sec. G.104 23 V.S.A. § 304b is amended to read:

§ 304b. CONSERVATION MOTOR VEHICLE REGISTRATION PLATES

(a) The Commissioner shall, upon application, issue conservation registration plates for use only on vehicles registered at the pleasure car rate, on trucks registered for less than 26,001 pounds, and on vehicles registered to State agencies under section 376 of this title, but excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted on the front and rear of the vehicle. The Commissioners of Motor Vehicles and of Fish and Wildlife shall determine the graphic design of the special plates in a manner that serves to enhance the public awareness of the State's

interest in restoring and protecting its wildlife and major watershed areas. The Commissioners of Motor Vehicles and of Fish and Wildlife may alter the graphic design of these special plates, provided that plates in use at the time of a design alteration shall remain valid subject to the operator's payment of the annual registration fee. Applicants shall apply on forms prescribed by the Commissioner and shall pay an initial fee of ~~$26.00~~ $32.00 in addition to the annual fee for registration. In following years, in addition to the annual registration fee, the holder of a conservation plate shall pay a renewal fee of ~~$26.00~~ $32.00. The Commissioner may adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

* * *

Sec. G.105 23 V.S.A. § 304c is amended to read:

§ 304c. MOTOR VEHICLE REGISTRATION PLATES: BUILDING BRIGHT SPACES FOR BRIGHT FUTURES FUND

(a) The Commissioner shall, upon application, issue "Building Bright Spaces for Bright Futures Fund," referred to as "the Bright Futures Fund," registration plates for use only on vehicles registered at the pleasure car rate, on trucks registered for less than 26,001 pounds, on vehicles registered to State agencies under section 376 of this title, and excluding vehicles registered under the International Registration Plan. Plates so acquired shall be mounted on the front and rear of the vehicle. The Commissioner of Motor Vehicles shall utilize the graphic design recommended by the Commissioner for Children and Families for the special plates to enhance the public awareness of the State's interest in supporting children's services. Applicants shall apply on forms prescribed by the Commissioner of Motor Vehicles and shall pay an initial fee of ~~$24.00~~ $29.00 in addition to the annual fee for registration. In following years, in addition to the annual registration fee, the holder of a Bright Futures Fund plate shall pay a renewal fee of ~~$24.00~~ $29.00. The Commissioner of Motor Vehicles shall adopt rules under 3 V.S.A. chapter 25 to implement the provisions of this subsection.

* * *

Sec. G.106 23 V.S.A. § 307 is amended to read:

§ 307. CARRYING OF REGISTRATION CERTIFICATE; REPLACEMENT AND CORRECTED CERTIFICATES

* * *

(b) In case of the loss, mutilation, or destruction of a certificate, the owner of the vehicle described in it shall forthwith notify the Commissioner and

remit a fee of ~~$16.00~~ $20.00, upon receipt of which the Commissioner shall furnish the owner with a duplicate certificate.

(c) A corrected registration certificate shall be furnished by the Commissioner upon request and receipt of a fee of ~~$16.00~~ $20.00.

(d) An operator cited for violating subsection (a) of this section with respect to a pleasure car, motorcycle, or truck that could be registered for less than 26,001 pounds shall be subject to a civil penalty of not more than $5.00, which penalty shall be exempt from surcharges under 13 V.S.A. § 7282(a), if ~~he or she~~ the operator is cited within the 14 days following the expiration of the motor vehicle's registration.

Sec. G.107 23 V.S.A. § 323 is amended to read:

§ 323. TRANSFER FEES

A person who transfers the ownership of a registered motor vehicle to another, upon the filing of a new application and upon the payment of a fee of ~~$25.00~~ $30.00, may have registered in ~~his or her~~ the person's name another motor vehicle for the remainder of the registration period without payment of any additional registration fee, provided the proper registration fee of the motor vehicle sought to be registered is the same as the registration fee of the transferred motor vehicle. However, if the proper registration fee of the motor vehicle sought to be registered by such person is greater than the registration fee of the transferred motor vehicle, the applicant shall pay, in addition to such fee of ~~$25.00~~ $30.00, the difference between the registration fee of the motor vehicle previously registered and the proper fee for the registration of the motor vehicle sought to be registered.

* * * Registration; Fees and Exemptions * * *

Sec. G.108 23 V.S.A. § 361 is amended to read:

§ 361. PLEASURE CARS

The annual registration fee for ~~registration of any motor vehicle of the~~ a pleasure car ~~type~~, as defined in subdivision 4(28) of this title, and all vehicles powered by electricity, shall be ~~$74.00~~ $89.00, and the biennial fee shall be ~~$136.00~~ $163.00.

Sec. G.109 23 V.S.A. § 364 is amended to read:

§ 364. MOTORCYCLES

The annual fee for registration of a motorcycle, with or without sidecar, shall be ~~$46.00~~ $56.00.

Sec. G.110 23 V.S.A. § 364a is amended to read:

§ 364a. MOTOR-DRIVEN CYCLES: REGISTRATION; FINANCIAL RESPONSIBILITY

(a) The annual fee for registration of a motor-driven cycle shall be ~~$28.00~~ $34.00.

* * *

Sec. G.111 23 V.S.A. § 364b is amended to read:

§ 364b. ALL-SURFACE VEHICLES; REGISTRATION

(a) The annual fee for registration of an all-surface vehicle (ASV) shall be the sum of the fees established by sections 3305 and 3504 of this title, plus ~~$26.00~~ $32.00.

* * *

Sec. G.112 23 V.S.A. § 367 is amended to read:

§ 367. TRUCKS

(a)(1) The annual fee for registration of tractors, truck-tractors, or motor trucks except truck cranes, truck shovels, road oilers, bituminous distributors, and farm trucks used as specified in subsection (f) of this section shall be based on the total weight of the truck-tractor or motor truck, including body and cab plus the heaviest load to be carried. In computing the fees for registration of tractors, truck-tractors, or motor trucks with trailers or semi-trailers attached, except trailers or semi-trailers with a gross weight of less than 6,000 pounds, the fee shall be based upon the weight of the tractor, truck-tractor, or motor truck, the weight of the trailer or semi-trailer, and the weight of the heaviest load to be carried by the combined vehicles. In addition to the fee set out in the following schedule, the fee for vehicles weighing between 10,000 and 25,999 pounds inclusive shall be an additional ~~$35.50~~ $42.53, the fee for vehicles weighing between 26,000 and 39,999 pounds inclusive shall be an additional ~~$70.98~~ $85.03, the fee for vehicles weighing between 40,000 and 59,999 pounds inclusive shall be an additional ~~$248.48~~ $297.68, and the fee for vehicles 60,000 pounds and over shall be an additional ~~$390.48~~ $467.80. The fee shall be computed at the following rates per 1,000 pounds of weight determined pursuant to this subdivision and rounded up to the nearest whole dollar; the minimum fee for registering a tractor, truck-tractor, or motor truck to 6,000 pounds shall be the same as for the pleasure car type:

~~$15.20~~ $18.21 when the weight exceeds 6,000 pounds but does not exceed 8,000 pounds.

~~$17.39~~ $20.83 when the weight exceeds 8,000 pounds but does not exceed 12,000 pounds.

~~$19.17~~ $22.97 when the weight exceeds 12,000 pounds but does not exceed 16,000 pounds.

~~$20.50~~ $24.56 when the weight exceeds 16,000 pounds but does not exceed 20,000 pounds.

~~$21.46~~ $25.71 when the weight exceeds 20,000 pounds but does not exceed 30,000 pounds.

~~$21.92~~ $26.26 when the weight exceeds 30,000 pounds but does not exceed 40,000 pounds.

~~$22.45~~ $26.90 when the weight exceeds 40,000 pounds but does not exceed 50,000 pounds.

~~$22.65~~ $27.13 when the weight exceeds 50,000 pounds but does not exceed 60,000 pounds.

~~$23.42~~ $28.06 when the weight exceeds 60,000 pounds but does not exceed 70,000 pounds.

~~$24.21~~ $29.00 when the weight exceeds 70,000 pounds but does not exceed 80,000 pounds.

~~$24.99~~ $29.94 when the weight exceeds 80,000 pounds but does not exceed 90,000 pounds.

* * *

(b) The annual fee for registration of a category I special purpose vehicle shall be ~~$178.00~~ $214.00, and the annual fee for a category II special purpose vehicle shall be ~~$415.00~~ $498.00.

* * *

Sec. G.113 23 V.S.A. § 371 is amended to read:

§ 371. TRAILER AND SEMI-TRAILER

(a)(1) The one-year and two-year fees for registration of a trailer or semi-trailer, except a contractor's trailer or farm trailer, shall be as follows:

(A) ~~$27.00~~ $33.00 and ~~$51.00~~ $62.00, respectively, when such trailer or semi-trailer has a gross weight of trailer and load of 1,500 pounds or less~~;~~.

(B) ~~$52.00~~ $63.00 and ~~$102.00~~ $123.00, respectively, when such trailer or semi-trailer has a gross weight of trailer and load of more than 1,500 pounds and is drawn by a vehicle of the pleasure car type~~;~~.

(C) ~~$52.00~~ $63.00 and ~~$102.00~~ $123.00, respectively, when such trailer or semi-trailer is drawn by a motor truck or tractor, when such trailer or semi-trailer has a gross weight of more than 1,500 pounds but less than 3,000 pounds~~;~~.

(D) ~~$52.00~~ $63.00 and ~~$102.00~~ $123.00, respectively, when such trailer or semi-trailer is used in combination with a truck-tractor or motor truck registered at the fee provided for combined vehicles under section 367 of this title. Excepting for the fees, the provisions of this subdivision shall not apply to trailer coaches as defined in section 4 of this title nor to modular homes being transported by trailer or semi-trailer.

(2) The one-year and two-year fees for registration of a contractor's trailer shall be ~~$197.00~~ $237.00 and ~~$394.00~~ $473.00, respectively.

* * *

Sec. G.114 23 V.S.A. § 372 is amended to read:

§ 372. MOTOR BUS

The annual fee for registration of a motor bus shall be based on the actual weight of such bus, plus passenger carrying capacity at 150 pounds per person, and shall be ~~$2.00~~ $2.40 per 100 pounds of such weight, except for motor buses registered under section 372a or 376 of this title. Fractions of a hundred-weight shall be disregarded. The minimum fee for the registration of any motor bus shall be $43.00.

Sec. G.115 23 V.S.A. § 372a is amended to read:

§ 372a. LOCAL TRANSIT PUBLIC TRANSPORTATION SERVICE

(a) The annual registration fee for any motor bus used in local transit or public transportation service shall be ~~$62.00~~ $75.00, except for those vehicles owned by a municipality for such service that are subject to the provisions of section 376 of this title. In the event a bus registered for local transit or public transportation service is subsequently registered for general use during the same registration year, such fee shall be applied toward the fee for general registration.

* * *

Sec. G.116 23 V.S.A. § 373 is amended to read:

§ 373. EXHIBITION VEHICLES; YEAR OF MANUFACTURE PLATES

(a) The annual fee for the registration of a motor vehicle that is maintained for use in exhibitions, club activities, parades, and other functions of public

interest and that is not used for general daily transportation of passengers or property on any highway shall be ~~$21.00~~ $26.00, in lieu of fees otherwise provided by law. Permitted use shall include:

* * *

Sec. G.117 23 V.S.A. § 376 is amended to read:

§ 376. STATE, MUNICIPAL, FIRE DEPARTMENT, AND RESCUE ORGANIZATION MOTOR VEHICLES

* * *

(b) The fee for registration of a motor vehicle owned by any municipality in this State and used entirely by it or any other municipality for municipal purposes shall be ~~$12.00~~ $15.00 in lieu of fees otherwise specified in this chapter. ~~As used in~~ For purposes of this subsection, the term municipality shall include county-owned vehicles. The Commissioner shall issue specially designed registration plates for county-owned sheriffs' departments' vehicles.

(c) The registration fee for registration of a motor truck, trailer, ambulance, or other motor vehicle, owned by a volunteer fire department or other volunteer ~~fire fighting~~ firefighting organization or other organization conducting rescue operations and used solely for fire fighting or rescue purposes shall be ~~$12.00~~ $15.00 in lieu of fees otherwise specified in this chapter. A motor vehicle or trailer registered under this section shall be plainly marked on both sides of the body or cab to indicate its ownership.

* * *

(f) A replacement registration plate shall be provided by the Commissioner upon the payment of a fee of ~~$9.00~~ $11.00.

(g)(1) The fee for registration of a motor vehicle obtained from the government as excess government property, or a vehicle purchased with 100 percent federal funds and used for federally supported local programs, shall be $14.00, in lieu of fees otherwise specified in this chapter. The Commissioner shall determine the eligibility as to whether or not the motor vehicle qualifies for this registration and ownership of the vehicle shall be plainly marked on both sides of the body or cab.

* * *

Sec. G.118 23 V.S.A. § 382 is amended to read:

§ 382. DIESEL-POWERED PLEASURE CARS

Notwithstanding any other provision of law, the annual registration fee for a pleasure car or tractor, truck-tractor, or motor truck up to 6,000 pounds

powered by fuel as defined in section 3002 of this title shall be ~~$74.00~~ $89.00, and the biennial fee shall be ~~$136.00~~ $163.00.

* * * Registration; Registration of Dealers and Transporters * * *

Sec. G.119 23 V.S.A. § 453 is amended to read:

§ 453. FEES AND NUMBER PLATES

(a)(1) An application for registration as a dealer in new or used cars or motor trucks shall be accompanied by a fee of ~~$503.00~~ $603.00 for each certificate issued in such dealer's name. The Commissioner shall furnish free of charge with each dealer's registration certificate three number plates showing the distinguishing number assigned such dealer. The Commissioner may furnish additional plates according to the volume of the dealer's sales in the prior year or, in the case of an initial registration, according to the dealer's reasonable estimate of expected sales, as follows:

* * *

(2) If the issuance of additional plates is authorized under subdivision (1) of this subsection, up to two plates shall be provided free of charge, and the Commissioner shall collect ~~$55.00~~ $66.00 for each additional plate thereafter.

(b) Application by a "dealer in farm tractors or other self-propelled farm implements," which shall mean a person actively engaged in the business of selling or exchanging new or used farm tractors or other self-propelled farm implements, for such dealer registration shall annually be accompanied by a fee of ~~$78.00~~ $94.00. The Commissioner shall furnish free of charge with each such dealer registration certificate two sets of number plates showing the distinguishing number assigned such dealer and in ~~his or her~~ the Commissioner's discretion may furnish further sets of plates at a fee of $12.00 per set; such number plates may, however, be displayed only upon a farm tractor or other self-propelled farm implement.

(c) Application by a "dealer in motorized highway building equipment and road making appliances," which shall mean a person actively engaged in the business of selling or exchanging new or used motorized highway building equipment or road making appliances, for such dealer registration shall annually be accompanied by a fee of ~~$123.00~~ $148.00. The Commissioner shall furnish free of charge with each such dealer registration certificate two sets of number plates showing the distinguishing number assigned such dealer and in ~~his or her~~ the Commissioner's discretion may furnish further sets of plates at a fee of $30.00 per set; such number plates may, however, be displayed only upon motorized highway building equipment or road making appliances.

(d) If a dealer is engaged only in the business of selling or exchanging motorcycles or motor-driven cycles, the registration fee shall be ~~$62.00~~ $75.00, which shall include three number plates. The Commissioner may, in ~~his or her~~ the Commissioner's discretion, furnish further sets of plates at a fee of $10.00 for each set.

(e) If a dealer is engaged only in the business of selling or exchanging trailers, semi-trailers, or trailer coaches, the registration fee shall be ~~$123.00~~ $148.00, which shall include three number plates; such number plates may, however, be displayed only upon a trailer, semi-trailer, or trailer coach. The Commissioner may, in ~~his or her~~ the Commissioner's discretion, furnish further plates at a fee of $10.00 for each such plate.

* * *

Sec. G.120 23 V.S.A. § 457 is amended to read:

§ 457. TEMPORARY PLATES

At the time of the issuance of a registration certificate to a dealer as provided in this chapter, the Commissioner shall furnish the dealer with a sufficient number of number plates and temporary validation stickers, temporary number plates, or temporary decals for use during the 60-day period immediately following sale of a vehicle or motorboat by the dealer. The plates and decals shall have the same general design as the plates or decals furnished individual owners, but the plates and decals may be of a material and color as the Commissioner may determine. The Commissioner shall collect a fee of ~~$5.00~~ $6.00 for each temporary plate issued.

Sec. G.121 23 V.S.A. § 463 is amended to read:

§ 463. SALE OF VEHICLE TO GO OUT OF STATE

A registered motor vehicle dealer is authorized to issue an in-transit registration permit for the purpose of movement over the highways of certain motor vehicles otherwise required to be registered when these vehicles are sold in this State to be transported to and registered in another state or province. The Commissioner of Motor Vehicles shall, upon request, provide registered motor vehicle dealers with such numbers of applications and special in-transit number plates for vehicles sold in this State to be transported to and registered in another state or province as shall be necessary. The Commissioner is authorized to charge a fee of ~~$6.00~~ $8.00 for the processing of the plate application and the issuance of the plate. The dealer, upon the sale of a motor vehicle to be transported to and registered in another state or province, shall cause the application to be filled out and transmitted to the Commissioner and shall attach to the vehicle the in-transit number plate corresponding to the application. No registered motor vehicle dealer shall sell, exchange, give, or

transfer any application or in-transit plate to any person other than the person to whom the dealer sells or exchanges a motor vehicle to be registered in another state or province. The application shall be in a form prescribed and furnished by the Commissioner. The special in-transit number plate to be attached to the vehicle will be issued in the form and design as prescribed by the Commissioner and shall be valid for a period of 30 days from the date of issue.

Sec. G.122 23 V.S.A. § 476 is amended to read:

§ 476. MOTOR VEHICLE WARRANTY FEE

A motor vehicle warranty fee of ~~$6.00~~ $8.00 is imposed on the registration of each new motor vehicle in this State, not including trailers, tractors, motorized highway building equipment, road-making appliances, snowmobiles, motorcycles, motor-driven cycles, or trucks with a gross vehicle weight over 12,000 pounds.

Sec. G.123 23 V.S.A. § 494 is amended to read:

§ 494. FEES

The annual fee for a transporter's registration certificate, number plate, or validation sticker is ~~$123.00~~ $148.00.

* * * Registration; Display of Number Plates * * *

Sec. G.124 23 V.S.A. § 514 is amended to read:

§ 514. REPLACEMENT NUMBER PLATES

(a) In case of the loss of a number plate, the owner of the motor vehicle to which it was assigned shall immediately notify the Commissioner of such loss, and the Commissioner shall furnish such owner with a new plate. The fee charged shall be ~~$12.00~~ $15.00 for each plate. The owner of a motor vehicle who has lost one number plate may operate ~~his or her~~ the owner's vehicle with only one number plate attached, until a new plate is furnished ~~him or her~~ to the owner, provided ~~he or she~~ the owner notified the Commissioner as required under this section.

(b) Any replacement number plate shall be issued at a fee of ~~$12.00~~ $15.00. However, if the Commissioner, in ~~his or her~~ the Commissioner's discretion, determines that a plate has become illegible as a result of deficiencies in the manufacturing process or by use of faulty materials, the replacement fee shall be waived.

Sec. G.125 23 V.S.A. § 516 is amended to read:

§ 516. SALE OF VEHICLE TO GO OUT OF STATE BY A PERSON OTHER THAN DEALER

The Commissioner of Motor Vehicles is authorized to issue an in-transit registration permit for the purpose of movement over the highways of certain motor vehicles otherwise required to be registered when the vehicles are sold in this State by a person, other than a registered motor vehicle dealer, to be transported to and registered in another state or province. The registration may be obtained by submitting an application on a form prescribed and furnished by the Commissioner of Motor Vehicles. The Commissioner is authorized to charge a fee of ~~$6.00~~ $8.00 for the processing of the application and the issuance of the plate. The in-transit registration plate pursuant to this section shall be valid for a period of 30 days from issuance and shall be in the form and design prescribed by the Commissioner of Motor Vehicles. Issuance of an in-transit plate for vehicles sold by a registered motor vehicle dealer to a person to be transported to and registered in another state or province shall be governed by the provisions of section 463 of this title.

Sec. G.126 23 V.S.A. § 517 is amended to read:

§ 517. INTRASTATE IN-TRANSIT PERMIT

The Commissioner may issue an intrastate in-transit registration permit to authorize the movement within Vermont of a motor vehicle otherwise required to be registered, if the vehicle is sold in this State by a person other than a registered motor vehicle dealer. The permit may be obtained after submission of an application on a form prescribed and furnished by the Commissioner and payment of a ~~$6.00~~ $8.00 fee. The permit shall be valid for a period of 10 days from the date of issuance and shall be in the form and design prescribed by the Commissioner.

* * * Operator's License; General Provisions * * *

Sec. G.127 23 V.S.A. § 608 is amended to read:

§ 608. FEES

(a) The four-year fee required to be paid the Commissioner for licensing an operator of motor vehicles or for issuing an operator's privilege card shall be ~~$51.00~~ $62.00. The two-year fee required to be paid the Commissioner for licensing an operator or for issuing an operator's privilege card shall be ~~$32.00~~ $39.00, and the two-year fee for licensing a junior operator or for issuing a junior operator's privilege card shall be ~~$32.00~~ $39.00.

(b) An additional fee of ~~$3.00~~ $4.00 per year shall be paid for a motorcycle endorsement. The endorsement may be obtained for either a two-year or four-year period, to be coincidental with the length of the operator's license.

Sec. G.128 23 V.S.A. § 613 is amended to read:

§ 613. REPLACEMENT LICENSE

(a) In case of the loss, mutilation, or destruction of a license or error in a license, the licensee shall forthwith notify the Commissioner who shall furnish such licensee with a replacement on receipt of ~~$20.00~~ $24.00.

* * *

Sec. G.129 23 V.S.A. § 617 is amended to read:

§ 617. LEARNER'S PERMIT

* * *

(b)(1) Notwithstanding the provisions of subsection (a) of this section, any licensed person may apply to the Commissioner of Motor Vehicles for a learner's permit for the operation of a motorcycle in the form prescribed by the Commissioner. The Commissioner shall offer both a motorcycle learner's permit that authorizes the operation of three-wheeled motorcycles only and a motorcycle learner's permit that authorizes the operation of any motorcycle. The Commissioner shall require payment of a fee of ~~$20.00~~ $24.00 at the time application is made.

(2) After the applicant has successfully passed all parts of the applicable motorcycle endorsement examination, other than a skill test, the Commissioner may issue to the applicant a learner's permit that entitles the applicant, subject to subsection 615(a) of this title, to operate a three-wheeled motorcycle only, or to operate any motorcycle, upon the public highways for a period of 120 days from the date of issuance. The fee for the examination shall be ~~$9.00~~ $11.00.

(3) A motorcycle learner's permit may be renewed only twice upon payment of a ~~$20.00~~ $24.00 fee. If, during the original permit period and two renewals the permittee has not successfully passed the applicable skill test or motorcycle rider training course, ~~he or she~~ the permittee may not obtain another motorcycle learner's permit for a period of 12 months from the expiration of the permit unless:

* * *

(d) An applicant shall pay ~~$20.00~~ $24.00 to the Commissioner for each learner's permit or a duplicate or renewal thereof.

* * *

Sec. G.130 23 V.S.A. § 634 is amended to read:

§ 634. FEE FOR EXAMINATION

(a) The fee for an examination for a learner's permit shall be ~~$32.00~~ $39.00. The fee for an examination to obtain an operator's license when the applicant is required to pass an examination pursuant to section 632 of this title shall be ~~$19.00~~ $23.00. The fee for a motorcycle skill test to obtain a motorcycle endorsement shall be ~~$19.00~~ $23.00.

(b) A scheduling fee of ~~$24.00~~ $29.00 shall be paid by the applicant before ~~he or she~~ the applicant may schedule the road test required under section 632 of this title. Unless an applicant gives the Department at least 48 hours' notice of cancellation, if the applicant does not appear as scheduled, the ~~$24.00~~ $29.00 scheduling fee is forfeited. If the applicant appears for the scheduled road test, the fee shall be applied toward the license examination fee. The Commissioner may waive the scheduling fee until the Department is capable of administering the fee electronically.

* * *

* * * Operator's License; Suspension and Revocation * * *

Sec. G.131 23 V.S.A. § 675 is amended to read:

§ 675. FEE PRIOR TO TERMINATION OR REINSTATEMENT OF SUSPENSION OR REVOCATION OF LICENSE

(a) Before a suspension or revocation issued by the Commissioner of a person's operator's license or privilege of operating a motor vehicle may be terminated or before a person's operator's license or privilege of operating a motor vehicle may be reinstated, there shall be paid to the Commissioner a fee of ~~$80.00~~ $96.00 in addition to any other fee required by statute. This section shall not apply to suspensions issued under the provisions of chapter 11 of this title nor suspensions issued for physical disabilities or failing to pass reexamination. The Commissioner shall not reinstate the license of a driver whose license was suspended pursuant to section 1205 of this title until the Commissioner receives certification from the court that the costs due the State have been paid.

* * *

* * * Operator's License; Driver Training School Licenses * * *

Sec. G.132 23 V.S.A. § 702 is amended to read:

§ 702. TRAINING SCHOOL AND INSTRUCTOR'S LICENSES

A person shall not operate a driver training school or act as an instructor unless the person has secured a license from the Commissioner. Applications for such licenses may be filed with the Commissioner and shall contain the information and shall be on the forms the Commissioner may prescribe. Each application for a driver's training school license shall be accompanied by an application fee of ~~$150.00~~ $180.00, which shall not be refunded. If the application is approved by the Commissioner, the applicant upon payment of an additional fee of ~~$225.00~~ $270.00 shall be granted a license, which shall become void two years after the first day of the month of issue unless sooner revoked as provided in this subchapter. The renewal fee shall be ~~$225.00~~ $270.00. Each application for an instructor's license shall be accompanied by an application fee of ~~$105.00~~ $126.00, which shall not be refunded. If the application is approved by the Commissioner, the applicant upon payment of an additional fee of ~~$75.00~~ $90.00 shall be granted a license, which shall become void two years after the first day of the month of issue unless sooner revoked as provided in this subchapter. The renewal fee shall be ~~$75.00~~ $90.00.

Sec. G.133 23 V.S.A. § 703 is amended to read:

§ 703. POSSESSION OF LICENSE

Each person granted a driver's training school license shall display the same conspicuously on the school premises. Each person granted an instructor's license shall carry the same in ~~his or her~~ the person's possession while engaged in giving driver training. In case of loss, mutilation, or destruction of a license certificate, the Commissioner shall issue a duplicate certificate upon payment of a fee of ~~$8.00~~ $10.00.

* * * Operation of Vehicles; Equipment * * *

Sec. G.134 23 V.S.A. § 1230 is amended to read:

§ 1230. CHARGE

For each inspection certificate issued by the Department of Motor Vehicles, the Commissioner shall be paid ~~$6.00~~ $8.00, provided that State and municipal inspection stations that inspect only State or municipally owned and registered vehicles shall not be required to pay a fee. All vehicle inspection certificate charge revenue shall be allocated to the Transportation Fund with one-half reserved for bridge maintenance activities.

* * * Operation of Vehicles; Weight, Size, Loads * * *

Sec. G.135 23 V.S.A. § 1392 is amended to read:

§ 1392. GROSS WEIGHT LIMITS ON HIGHWAYS

Except as provided in section 1400 of this title, a person ~~or corporation~~ shall not operate or cause to be operated a motor vehicle in excess of the total weight, including vehicle, object, or contrivance and load, of:

* * *

(13) Despite the axle-load provisions of section 1391 of this title and the maximum gross load of subdivision (4) of this section, a special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following date of issue, may be issued to a person operating on designated routes on the State Highway System for a fee of ~~$382.00~~ $458.00 for each vehicle registered for a weight of 80,000 pounds. This special permit shall be issued only for a combination of vehicle and semi-trailer or trailer equipped with five or more axles, with a distance between axles that meets the minimum requirements of registering the vehicle to 80,000 pounds as allowed under subdivision (4) of this section. The maximum gross load under this special permit shall be 90,000 pounds. Unless authorized by federal law, this subdivision shall not apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways.

(14) Despite the axle-load provisions of section 1391 of this title and the axle spacing and maximum gross load provisions of subdivision (4) of this section, a special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following date of issue, may be issued to a person transporting loads on vehicles on designated routes on the State Highway System for the following fees for each vehicle unit. Unless authorized by federal law, the provisions of this subdivision regarding weight limits or tolerances, or both, shall not apply to operation on the Dwight D. Eisenhower National System of Interstate and Defense Highways. This special permit shall be issued for the following vehicles and conditions:

(A) 3-axle trucks with a single steering axle and a rear tandem axle that have a maximum gross weight of not more than 60,000 pounds when registered for a minimum gross weight of not more than 55,000 pounds, the permit fee shall be ~~$156.00~~ $187.00.

(B) 4-axle trucks with a single steering axle and a rear tri-axle unit that have a maximum gross weight of not more than 69,000 pounds when registered for a minimum weight of 60,000 pounds, the permit fee shall be ~~$352.00~~ $422.00.

(C) 4-axle tractor semi-trailer or truck trailer combination with a maximum gross weight of not more than 72,000 pounds, provided the distance

between the second axle of the tractor and the rear axle of the trailer is at least 24 feet measured to the nearest foot. For each foot or fraction of a foot less than 24 feet, measured to the nearest foot, a reduction of 2,000 pounds in the maximum gross weight shall be made. The permit fee shall be ~~$15.00~~ $18.00.

(D) 5- or more axle tractor semi-trailer or truck trailer combination with a maximum gross weight of not more than 76,000 pounds, provided that the distance between the first and last axle of two consecutive sets of tandem axles is at least 24 feet measured to the nearest foot. For each foot or fraction of a foot less than 24 feet, measured to the nearest foot, a reduction of 2,000 pounds in the maximum gross weight shall be made. The permit fee shall be ~~$15.00~~ $18.00.

* * *

(17) Notwithstanding the gross vehicle weight provisions of subdivision (4) of this section, a truck trailer combination or truck tractor, semi-trailer combination with six or more load-bearing axles registered for 80,000 pounds shall be allowed to bear a maximum of 99,000 pounds by special annual permit, which shall expire with the vehicle's registration, except for vehicles not registered in Vermont in which case the permit shall become void on January 1 following the date of issue, for operating on designated routes on State and town highways, subject to the following:

* * *

(F) The fee for the annual permit as provided in this subdivision (17) shall be ~~$382.00~~ $458.00 for vehicles bearing up to 90,000 pounds and ~~$560.00~~ $671.00 for vehicles bearing up to 99,000 pounds.

* * *

Sec. G.136 23 V.S.A. § 1402 is amended to read:

§ 1402. OVERWEIGHT, WIDTH, HEIGHT, AND LENGTH PERMITS; FEES

(a) Overweight, overwidth, indivisible overlength, and overheight permits. Overweight, overwidth, indivisible overlength, and overheight permits shall be signed by the Commissioner or by ~~his or her~~ the Commissioner's agent and a copy shall be kept in the office of the Commissioner or in a location approved by the Commissioner. Except as provided in subsection (c) of this section, a copy shall also be available in the towing vehicle and must be available for inspection on demand of a law enforcement officer. Before operating a traction engine, tractor, trailer, motor truck, or other motor vehicle, the person to whom a permit to operate in excess of the weight, width, indivisible

overlength, and height limits established by this title is granted shall pay a fee of ~~$40.00~~ $48.00 for each single trip permit or ~~$112.00~~ $135.00 for a blanket permit, except that the fee for a fleet blanket permit shall be ~~$112.00~~ $135.00 for the first unit and ~~$6.00~~ $8.00 for each unit thereafter. At the option of a carrier, an annual permit for the entire fleet, to operate over any approved route, may be obtained for ~~$112.00~~ $135.00 for the first tractor and ~~$6.00~~ $8.00 for each additional tractor, up to a maximum fee of $1,000.00. The fee for a fleet permit shall be based on the entire number of tractors owned by the applicant. An applicant for a fleet permit may apply for any number of specific routes, each of which shall be reviewed with regard to the characteristics of the route and the type of equipment operated by the applicant. When the weight or size of the vehicle-load are considered sufficiently excessive for the routing requested, the Agency of Transportation shall, on request of the Commissioner, conduct an engineering inspection of the vehicle-load and route, for which a fee of $300.00 will be added to the cost of the permit if the load is a manufactured home. For all other loads of any size or with gross weight limits less than 150,000 pounds, the fee shall be $800.00 for any engineering inspection that requires up to eight hours to conduct. If the inspection requires more than eight hours to conduct, the fee shall be $800.00 plus $60.00 per hour for each additional hour required. If the vehicle and load weigh 150,000 pounds or more but not more than 200,000 pounds, the engineering inspection fee shall be $2,000.00. If the vehicle and load weigh more than 200,000 pounds but not more than 250,000 pounds, the engineering inspection fee shall be $5,000.00. If the vehicle and load weigh more than 250,000 pounds, the engineering inspection fee shall be $10,000.00. The study must be completed prior to the permit being issued. Prior to the issuance of a permit, an applicant whose vehicle weighs 150,000 pounds or more, or is 15 or more feet in width or height, shall file with the Commissioner a special certificate of insurance showing minimum coverage of $250,000.00 for death or injury to one person, $500,000.00 for death or injury to two or more persons, and $250,000.00 for property damage, all arising out of any one crash.

(b) Overlength permits. Except as provided in subsections 1432(c) and (e) of this title, it shall be necessary to obtain an overlength permit as follows:

(1) For vehicles with a trailer or semitrailer longer than 75 feet, anywhere in the State on highways approved by the Agency of Transportation. In such cases, the vehicle may be operated with a single trip overlength permit issued by the Department of Motor Vehicles for a fee of ~~$28.00~~ $34.00. If the vehicle is 100 feet or more in length, the permit applicant shall file with the Commissioner of Motor Vehicles a special certificate of insurance showing minimum coverage of $250,000.00 for death or injury to one person,

$500,000.00 for death or injury to two or more persons, and $250,000.00 for property damage, all arising out of any one crash.

* * *

* * * Title to Motor Vehicles; General Provisions * * *

Sec. G.137 23 V.S.A. § 2002 is amended to read:

§ 2002. FEES

(a) The Commissioner shall be paid the following fees:

(1) for any certificate of title, including a salvage certificate of title, or an exempt vehicle title, ~~$35.00~~ $42.00;

(2) for each security interest noted upon a certificate of title, including a salvage certificate of title, ~~$11.00~~ $14.00;

(3) for a certificate of title after a transfer, ~~$35.00~~ $42.00;

(4) for each assignment of a security interest noted upon a certificate of title, ~~$11.00~~ $14.00;

(5) for a duplicate certificate of title, including a salvage certificate of title, ~~$35.00~~ $42.00;

(6) for an ordinary certificate of title issued upon surrender of a distinctive certificate, ~~$35.00~~ $42.00;

(7) for filing a notice of security interest, ~~$11.00~~ $14.00;

(8) for a certificate of search of the records of the Department of Motor Vehicles, for each motor vehicle searched against, ~~$22.00~~ $27.00;

(9) for filing an assignment of a security interest, ~~$11.00~~ $14.00;

(10) for a certificate of title after a security interest has been released, ~~$35.00~~ $42.00;

(11) for a certificate of title for a motor vehicle acquired by a veteran with financial assistance from the U.S. Department of Veterans Affairs and exempt from registration fees pursuant to section 378 of this title, no fee;

(12) for a corrected certificate of title, ~~$35.00~~ $42.00.

* * *

* * * Titling of Vessels, Snowmobiles, and All-terrain Vehicles * * *

Sec. G.138. 23 V.S.A. § 3802 is amended to read:

§ 3802. FEES

(a) The Commissioner shall be paid the following fees:

(1) for filing an application for a first certificate of title, ~~$22.00~~ $27.00;

(2) for each security interest noted upon a certificate of title, ~~$11.00~~ $14.00;

(3) for a certificate of title after a transfer, ~~$22.00~~ $27.00;

(4) for each assignment of a security interest noted upon a certificate of title, ~~$11.00~~ $14.00;

(5) for a duplicate certificate of title, ~~$22.00~~ $27.00;

(6) for an ordinary certificate of title issued upon surrender of a distinctive certificate, ~~$22.00~~ $27.00;

(7) for filing a notice of security interest, ~~$11.00~~ $14.00;

(8) for a certificate of search of the records of the Department of Motor Vehicles for each vessel, snowmobile, or all-terrain vehicle searched against, ~~$22.00~~ $27.00;

(9) for filing an assignment of a security interest, ~~$11.00~~ $14.00;

(10) for a certificate of clear title after the security interest or interests have been released, ~~$22.00~~ $27.00;

(11) for a corrected certificate of title, ~~$22.00~~ $27.00.

* * *

* * * Commercial Driver's License Act * * *

Sec. G.139 23 V.S.A. § 4108 is amended to read:

§ 4108. COMMERCIAL DRIVER'S LICENSE, COMMERCIAL LEARNER'S PERMIT QUALIFICATION STANDARDS

* * *

(f) The fee for a knowledge test and the fee for a skills test shall each be ~~$32.00~~ $39.00. The fee for an endorsement test shall be ~~$14.00~~ $17.00. In the event that an applicant fails a test three times, ~~he or she~~ the applicant may not take the test again for at least six months. A fee of ~~$24.00~~ $29.00 shall be paid by the applicant before ~~he or she~~ the applicant may schedule a skills test. If an applicant does not appear for the scheduled skills test, the ~~$24.00~~ $29.00 scheduling fee is forfeited, unless the applicant has given the Department of Motor Vehicles at least 48 hours' notice of cancellation of the test. If the applicant appears for the skills test, the ~~$24.00~~ $29.00 scheduling fee for that test will be used as part of the test fee. Use of an interpreter is prohibited during the administration of the knowledge or skills tests.

* * *

Sec. G.140 23 V.S.A. § 4110 is amended to read:

§ 4110. APPLICATION FOR COMMERCIAL DRIVER'S LICENSE OR COMMERCIAL LEARNER'S PERMIT

* * *

(8) The proper fee.

(A) The four-year fee for a commercial driver's license shall be ~~$90.00~~ $108.00. The two-year fee shall be ~~$60.00~~ $72.00. In those instances where the applicant surrenders a valid Vermont Class D license, the total fees due shall be reduced by:

* * *

(B) The fee for a commercial learner's permit is ~~$15.00~~ $18.00.

* * *

(b) When a licensee or permittee changes ~~his or her~~ the licensee's or permittee's name, mailing address, or residence or in the case of the loss, mutilation, or destruction of a license or permit, the licensee or permittee shall forthwith notify the Commissioner and apply in person for a duplicate license or permit in the same manner as set forth in subsection (a) of this section. The fee for a duplicate license or permit shall be ~~$15.00~~ $18.00.

* * *

* * * Motor Vehicle Purchase and Use Tax * * *

Sec. G.141 32 V.S.A. § 8903 is amended to read:

§ 8903. TAX IMPOSED

(a)(1) There is hereby imposed upon the purchase in Vermont of a motor vehicle by a resident a tax at the time of such purchase, payable as hereinafter provided. The amount of the tax shall be six percent of the taxable cost of a:

* * *

(2) For any other motor vehicle, it shall be six percent of the taxable cost of the motor vehicle or ~~$2,075.00~~ $2,486.00 for each motor vehicle, whichever is smaller, except that pleasure cars that are purchased, leased, or otherwise acquired for use in short-term rentals shall be subject to taxation under subsection (d) of this section.

(b)(1) There is hereby imposed upon the use within this State a tax of six percent of the taxable cost of a:

* * *

(2) For any other motor vehicle, it shall be six percent of the taxable cost of the motor vehicle or ~~$2,075.00~~ $2,486.00 for each motor vehicle, whichever is smaller, by a person at the time of first registering or transferring a registration to such motor vehicle payable as hereinafter provided, except no use tax shall be payable hereunder if the tax imposed by subsection (a) of this section has been paid, or the vehicle is a pleasure car that was purchased, leased, or otherwise acquired for use in short-term rentals, in which case the vehicle shall be subject to taxation under subsection (d) of this section.

* * *

* * * Effective Dates * * *

Sec. H.100 EFFECTIVE DATES

(a) This section and Secs. C.100 through C.126 (fiscal year 2023 adjustments, appropriations, and amendments) shall take effect upon passage.

(b) Sections G.100 through G.141 (Department of Motor Vehicles fee increases and Motor Vehicle Purchase and Use Tax increase) shall take effect on January 1, 2024.

(c) All remaining sections shall take effect on July 1, 2023.

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
ANDREW J. PERCHLIK
RICHARD A. WESTMAN

Committee on the part of the Senate

DIANE M. LANPHER
ROBIN P. SCHEU
THERESA A. WOOD

Committee on the part of the House

Addendum to the Report of Committee of Conference

H. 494.

An act relating to making appropriations for the support of government.

By striking out Sec. C.112(a)(2) in its entirety and inserting in lieu thereof a new subsection (2) to read as follows:

(2) the unexpended or unobligated amount of the $2,500,000 transferred by the Emergency Board to the Agency of Education for PCB remediation shall revert to the Education Fund and be reappropriated to 2022 Acts and Resolves No. 185 Sec. B.505 Education - adjusted education payment.

M. JANE KITCHEL
ANDREW J. PERCHLIK
RICHARD A. WESTMAN

Committee on the part of the Senate

DIANE M. LANPHER
ROBIN P. SCHEU
THERESA A. WOOD

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.

Recess

On motion of Senator Baruth the Senate recessed until six o'clock in the evening.

Called to Order

The Senate was called to order by the President.

Recess

On motion of Senator Baruth the Senate recessed until seven o'clock and thirty minutes in the evening.

Message from the House No. 67

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

Mr. President:

I am directed to inform the Senate that:

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

S. 39. An act relating to compensation and benefits for members of the Vermont General Assembly.

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. 217. An act relating to miscellaneous workers' compensation amendments.

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

Called to Order

The Senate was called to order by the President.

Rules Suspended; House Proposals of Amendment Concurred In

S. 39.

Pending entry on the calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to compensation and benefits for members of the Vermont General Assembly.

Was taken up for immediate consideration.

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

First: In Sec. 4, 32 V.S.A. § 1052, in subdivision (a)(3), by striking out "is entitled to" and inserting in lieu thereof "may claim"

Second: In Sec. 4, 32 V.S.A. § 1052, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

(b) Expenses. During any session of the General Assembly, each member is entitled to receive an allowance for or reimbursement of expenses as ~~follows:~~ set forth in this subsection.

(1) Mileage reimbursement. ~~Reimbursement~~ Each member shall receive reimbursement in an amount equal to the actual mileage traveled for each day of session in which the member travels between Montpelier and the member's home or from Montpelier or from the member's home to another site on officially sanctioned legislative business. Reimbursement of actual mileage traveled under this subdivision shall be at the rate per mile determined by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session.

(2) Meals ~~and lodging allowance~~. Each member shall receive either a meals allowance or reimbursement of actual meals expenses. A member shall be presumed to have elected to receive the meals allowance unless the member informs the Office of Legislative Operations prior to the convening of the regular or adjourned session that the member wishes to receive reimbursement of actual meals expenses. A member's election to receive reimbursement of

actual meals expenses shall remain in effect through the remainder of that session unless the member notifies the Office, in writing, that the member needs to change to the meals allowance due to a change in circumstances or for another compelling reason.

(A) Meals allowance. ~~An~~ A member who elects to receive a meals allowance ~~in~~ shall receive an amount equal to the daily amount for meals ~~and lodging~~ determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session~~,~~ for each day the House in which the member serves shall sit.

(B) Meals reimbursement. A member who elects to receive reimbursement of expenses shall receive reimbursement equal to the actual amounts expended by the member for meals for each day that the House in which the member serves shall sit, as well as meals for the night preceding the first legislative day of each week during the legislative session; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision shall not exceed the amount the member would have received for the same week if the member had elected the meals allowance pursuant to subdivision (A) of this subdivision (2). The member shall provide meal receipts or otherwise substantiate the amounts expended to the Office of Legislative Operations in the form and manner prescribed by the Director of Legislative Operations.

(3) Lodging. Each member shall receive either a lodging allowance or reimbursement of actual lodging expenses. A member shall be presumed to have elected to receive the lodging allowance unless the member informs the Office of Legislative Operations prior to the convening of the regular or adjourned session that the member wishes to receive reimbursement of actual lodging expenses. A member's election to receive reimbursement of actual lodging expenses shall remain in effect through the remainder of that session unless the member notifies the Office, in writing, that the member needs to change to the lodging allowance due to a change in circumstances or for another compelling reason.

(A) Lodging allowance. A member who elects to receive a lodging allowance shall receive an amount equal to the daily amount for lodging determined for Montpelier, Vermont, by the federal Office of Government-wide Policy and published in the Federal Register for the year of the session for each day the House in which the member serves shall sit.

(B) Lodging reimbursement. A member who elects to receive reimbursement of expenses shall receive reimbursement equal to the actual amounts expended by the member for lodging for each day that the House in

which the member serves shall sit, as well as lodging for the night preceding the first legislative day of each week during the legislative session; provided, however, that the total amount of the weekly reimbursement available pursuant to this subdivision for each week shall not exceed the amount the member would have received for the same week if the member had elected the lodging allowance pursuant to subdivision (A) of this subdivision (3). The member shall provide lodging receipts or otherwise substantiate the amounts expended to the Office of Legislative Operations in the form and manner prescribed by the Director of Legislative Operations.

(4) Absences. If a member is absent for reasons other than sickness or legislative business for one or more entire days while the house in which the member sits is in session, the member shall notify the Office of Legislative Operations of that absence, and ~~expenses received shall not include the amount that the legislator specifies was not incurred~~ the member shall not receive or be reimbursed for mileage, meals, or lodging expenses incurred during the period of that absence.

Third: In Sec. 6, Legislative Service Working Group, in subdivision (c)(1), by adding a new subdivision to be subdivision (C) to read as follows:

(C) the impact of making members eligible for the State employees' health plan as set forth in Sec. 1 of this act on members of different income levels;

and by relettering the remaining subdivisions in subdivision (c)(1) to be alphabetically correct

Fourth: In Sec. 6, Legislative Service Working Group, in subsection (g), by striking out "eight" preceding "meetings" in the first sentence and inserting in lieu thereof "six"

Fifth: By striking out Sec. 7, appropriation, and its reader assistance heading in their entireties and inserting in lieu thereof the following:

Sec. 7. [Deleted.]

Sixth: In Sec. 8, effective dates, by striking out subsections (b) and (c) in their entireties and inserting in lieu thereof the following:

(b) Secs. 3(b)(3) (expenses for Speaker and President Pro Tempore) and 4(b)–(d) (legislator expenses) shall take effect on January 1, 2024.

and by relettering the remaining subsections to be alphabetically correct

Seventh: In Sec. 6, Legislative Service Working Group, in subdivision (c)(1), by adding a new subdivision to be subdivision (E) to read as follows:

(E) options for establishing or engaging an independent entity to make adjustments to legislative compensation and benefits;

and by relettering the remaining subdivisions to be alphabetically correct

Eighth: In Sec. 6, Legislative Service Working Group, in subdivision (c)(1), by deleting the word "and" following the semicolon at the end of newly relettered subdivision (G), by adding the word "and" following the semicolon at the end of newly relettered subdivision (H), and by adding a new subdivision (I) to read as follows:

(I) how the salaries, benefits, and compensation structure in the Vermont General Assembly compare to the mean and median compensation and benefits of Vermont residents;

Ninth: In Sec. 6, Legislative Service Working Group, in subsection (e), by striking out the second sentence in its entirety and inserting in lieu thereof a new second sentence to read: "Drafts of the Working Group's report that are in progress but have not yet been shared with the Working Group shall be confidential."

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

Rules Suspended; House Proposals of Amendment to Senate Proposal of Amendment Concurred In

H. 217.

Pending entry on the calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to miscellaneous workers' compensation amendments.

Was taken up for immediate consideration.

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

First: In Sec. 1, legislative intent, subdivision (6), by striking out "and" after the semicolon

Second: In Sec. 1, legislative intent, by inserting a new subdivision (7) after subdivision (6) to read as follows:

(7) recognize that family child care homes are a key resource for families in rural communities and allow for ongoing financial support to:

(A) enable parents to choose to send their children to family child care homes; and

(B) provide technical assistance to family child care homes to ensure high-quality child care services are accessible throughout the State; and

and by renumbering the remaining subdivision to be numerically correct.

Third: In Sec. 2, Prekindergarten Education Implementation Committee; plan, in subsection (a), by inserting a third sentence to read: "As used in this section, "child" or "children" means a child or children who are four years of age on the date by which the child's school district requires kindergarten students to have attained five years of age or who are five years of age and not yet enrolled in kindergarten, unless otherwise specified."

Fourth: In Sec. 2, Prekindergarten Education Implementation Committee; plan, in subsection (c), in the second sentence, by inserting after "2026" the following phrase: ", including transitioning children who are three years of age from the 10-hour prekindergarten benefit to child care and early education"

Fifth: In Sec. 2, Prekindergarten Education Implementation Committee; plan, in subsection (c), by striking out the sentence "The Committee's analysis may yield distinct recommendations for different prekindergarten ages." in its entirety

Sixth: In Sec. 24, 32 V.S.A. chapter 246, in section 10552, by striking out subdivision (4) in its entirety and inserting in lieu thereof a new subdivision (4) to read as follows:

(4) "Self-employed individual" means an individual who earns self-employment income.

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; Bills Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered messaged to the House forthwith:

H.217, H.494.

Rules Suspended; Action Messaged

On motion of Senator Baruth, the rules were suspended, and the action on the following bills was ordered messaged to the House forthwith:

S.39.

Bills Delivered

Senator Baruth moved that pursuant to Joint Rule 15 that all bills passed by both the Senate and the House be ordered to the Governor.

Which was agreed to.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 27.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Baruth,

J.R.S. 27. Joint resolution relating to adjournment.

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 twelfth or thirteenth of May, 2023 they shall do so to reconvene on the twentieth day of June, 2023, at ten o'clock in the forenoon.

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. Ode and others,

By Senator Baruth,

H.C.R. 115.

House concurrent resolution congratulating the University of Vermont Catamounts women's basketball team on winning the 2023 America East Conference championship.

By Reps. Mulvaney-Stanak and others,

H.C.R. 116.

House concurrent resolution honoring the youth division snowboarders and skiers who represented Vermont with distinction at the 2023 United States of America Snowboard and Freeski Association National Championships.

By Reps. Ode and others,

By Senator Baruth,

H.C.R. 117.

House concurrent resolution congratulating the University of Vermont Catamounts men's basketball team on winning the 2023 America East Conference championship.

By Reps. Donahue and Goslant,

By Senators Cummings, Perchlik and Watson,

H.C.R. 118.

House concurrent resolution congratulating the Northfield Junior Rifle team on completing a memorable and successful 2022–2023 competitive season.

By Reps. Beck and others,

By Senator Kitchel,

H.C.R. 119.

House concurrent resolution congratulating the 2023 St. Johnsbury Academy Hilltoppers Science Olympiad team on its multi-medal-winning achievements.

By Reps. Masland and Holcombe,

By Senators MacDonald, Clarkson, McCormack and White,

H.C.R. 120.

House concurrent resolution congratulating Thetford Town Clerk and Treasurer Tracy Borst as the first Vermont and New England recipient of the International Institute of Municipal Clerks' Institute Directors Award of Excellence.

By Reps. Ode and others,

By Senators Baruth, Chittenden, Gulick, Lyons, Ram Hinsdale and Vyhovsky,

H.C.R. 121.

House concurrent resolution congratulating the 2023 Burlington High School Seahorses championship Vermont-NEA Scholars' Bowl team and wishing the students every success in their forthcoming national competitions.

By Reps. Brumsted and Lalley,

H.C.R. 122.

House concurrent resolution in memory of University of Vermont Professor Emeritus Samuel B. Feitelberg of Shelburne.

By Reps. Page and others,

By Senators Ingalls and Starr,

H.C.R. 123.

House concurrent resolution honoring William Boyd Davies for more than four decades of insightfully moderating the Northeast Kingdom Legislative Breakfast Series in Newport.

By Reps. Howard and others,

By Senators Collamore and Williams,

H.C.R. 124.

House concurrent resolution congratulating St. Peter Roman Catholic Church of Rutland on the 150th anniversary of the construction of its home.

By All Members of the House,

By Senators Kitchel and Ram Hinsdale,

H.C.R. 125.

House concurrent resolution recognizing May 2023 as Jewish American Heritage Month in Vermont.

By Reps. Christie and others,

By Senators Clarkson, McCormack and White,

H.C.R. 126.

House concurrent resolution in memory of clinical psychologist and social justice activist Dr. Ann Ellis Raynolds of Pomfret.

By All Members of the House,

H.C.R. 127.

House concurrent resolution recognizing May as Mental Health Awareness Month in Vermont.

Secretary Directed to Inform the House of Completion of Business

On motion of Senator Baruth, 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. 27.

Committee Appointed to Inform Governor of Completion of Business

On motion of Senator Baruth, 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. 27:

Senator Clarkson
Senator Brock
Senator Perchlik
Senator Vyhovsky

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. 27, performed the duties assigned to it and escorted the Governor to the rostrum.

Remarks of Governor

The Honorable Philip B. Scott, Governor of the State of Vermont, was escorted to the rostrum and briefly addressed the Senate.

Departure of Governor

The Governor, having completed the delivery of his message, was escorted from the Chamber by the Committee appointed by the Chair.

Final Adjournment

On motion of Senator Baruth, at eight o'clock and twenty-four minutes in the evening (8:24 P.M.), the Senate adjourned, pursuant to the provisions of J.R.S. 27.

Messages Received After Final Adjournment

After final adjournment, the following messages were received by the Secretary:

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:

Mr. 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. 138. An act relating to school safety.

And has concurred therein.

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:

Mr. President:

I am directed to inform the Senate that:

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

S. 80. An act relating to miscellaneous environmental conservation subjects.

And has passed 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. 70

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

Mr. 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. 27.

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:

Mr. President:

I am directed to inform the Senate that:

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

S. 103. An act relating to amending the prohibitions against discrimination.

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 report of the Committee of Conference upon the disagreeing votes of the two Houses on House bill of the following title:

H. 479. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

And has adopted the same on its part.

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

H. 31. An act relating to aquatic nuisance control.

H. 62. An act relating to the interstate Counseling Compact.

H. 77. An act relating to Vermont's adoption of the Physical Therapy Licensure Compact.

H. 86. An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact.

H. 125. An act relating to boards and commissions.

H. 291. An act relating to the creation of the Cybersecurity Advisory Council.

H. 461. An act relating to making miscellaneous changes in education laws.

H. 476. An act relating to miscellaneous changes to law enforcement officer training laws.

H. 488. An act relating to approval of the adoption of the charter of the Town of Ludlow.

H. 490. An act relating to approving the merger of the Village of Lyndonville with the Town of Lyndon.

And has severally concurred therein.

The House has considered the Governor's veto on Senate bill of the following title:

S. 5. An act relating to affordably meeting the mandated greenhouse gas reductions for the thermal sector through efficiency, weatherization measures, electrification, and decarbonization.

And has passed the same, the refusal of the Governor to approve notwithstanding.

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:

Mr. 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. 27. Joint resolution relating to adjournment.

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. 494. An act relating to making appropriations for the support of government.

And has adopted the same on its part.

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

H. 67. An act relating to household products containing hazardous substances.

H. 126. An act relating to community resilience and biodiversity protection.

H. 227. An act relating to the Vermont Uniform Power of Attorney Act.

H. 270. An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

H. 471. An act relating to technical and administrative changes to Vermont's tax laws.

H. 472. An act relating to miscellaneous agricultural subjects.

H. 480. An act relating to property valuation and reappraisals.

H. 517. An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1.

And has severally concurred therein.

The House has adopted House concurrent resolutions of the following titles:

H.C.R. 115. House concurrent resolution congratulating the University of Vermont Catamounts women's basketball team on winning the 2023 America East Conference championship.

H.C.R. 116. House concurrent resolution honoring the youth division snowboarders and skiers who represented Vermont with distinction at the 2023 United States of America Snowboard and Freeski Association National Championships.

H.C.R. 117. House concurrent resolution congratulating the University of Vermont Catamounts men's basketball team on winning the 2023 America East Conference championship.

H.C.R. 118. House concurrent resolution congratulating the Northfield Junior Rifle team on completing a memorable and successful 2022–2023 competitive season.

H.C.R. 119. House concurrent resolution congratulating the 2023 St. Johnsbury Academy Hilltoppers Science Olympiad team on its multi-medal-winning achievements.

H.C.R. 120. House concurrent resolution congratulating Thetford Town Clerk and Treasurer Tracy Borst as the first Vermont and New England recipient of the International Institute of Municipal Clerks' Institute Directors Award of Excellence.

H.C.R. 121. House concurrent resolution congratulating the 2023 Burlington High School Seahorses championship Vermont-NEA Scholars' Bowl team and wishing the students every success in their forthcoming national competitions.

H.C.R. 122. House concurrent resolution in memory of University of Vermont Professor Emeritus Samuel B. Feitelberg of Shelburne.

H.C.R. 123. House concurrent resolution honoring William Boyd Davies for more than four decades of insightfully moderating the Northeast Kingdom Legislative Breakfast Series in Newport.

H.C.R. 124. House concurrent resolution congratulating St. Peter Roman Catholic Church of Rutland on the 150th anniversary of the construction of its home.

H.C.R. 125. House concurrent resolution recognizing May 2023 as Jewish American Heritage Month in Vermont.

H.C.R. 126. House concurrent resolution in memory of clinical psychologist and social justice activist Dr. Ann Ellis Raynolds of Pomfret.

H.C.R. 127. House concurrent resolution recognizing May as Mental Health Awareness Month in Vermont.

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 Vanessa Davison for her extraordinary dedication as a staff member of the General Assembly.

S.C.R. 7. Senate concurrent resolution honoring Stephanie Barrett for more than a quarter-century of public service excellence as a member of the Joint Fiscal Office staff.

And has adopted the same in concurrence.

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 30th day of May, 2023 he approved and signed bills originating in the Senate of the following titles:

S. 4. An act relating to reducing crimes of violence associated with juveniles and dangerous weapons.

S. 36. An act relating to crimes against health care workers at hospitals and against emergency medical treatment providers.

S. 47. An act relating to the transport of individuals requiring psychiatric care.

S. 73. An act relating to workers' compensation coverage for firefighters with cancer.

S. 89. An act relating to establishing a forensic facility.

S. 91. An act relating to competency to stand trial and insanity as a defense.

S. 138. An act relating to school safety.

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 31st day of May, 2023 he approved and signed bills originating in the Senate of the following titles:

S. 17. An act relating to sheriff reforms.

S. 48. An act relating to regulating the sale of catalytic converters.

S. 95. An act relating to banking and insurance.

S. 112. An act relating to miscellaneous subjects related to the Public Utility Commission.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 31st day of May, 2023 he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 39. An act relating to compensation and benefits for members of the Vermont General Assembly.

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. 39** to the Senate is as follows:

"May 31, 2023

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'm returning S.39, *An act relating to compensation and benefits for members of the Vermont General Assembly*, without my signature because of my objections described herein.

This year, the General Assembly passed several pieces of legislation that will significantly increase costs for Vermonters through new and higher taxes, fees and penalties. In my opinion, it does not seem fair for legislators to insulate themselves from the very costs they are imposing on their constituents by doubling their own future pay.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 1st day of June, 2023 he approved and signed bills originating in the Senate of the following titles:

S. 14. An act relating to a report on criminal justice-related investments and trends.

S. 99. An act relating to miscellaneous changes to laws related to vehicles.

S. 115. An act relating to miscellaneous agricultural subjects.

S. 135. An act relating to the establishment of VT Saves.

S. 137. An act relating to energy efficiency modernization.

Message from the Governor

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

Mr. President:

I am directed by the Governor to inform the Senate that on the 1st day of June, 2023, he returned without signature and *vetoed* a bill originating in the Senate of the following title:

S. 6. An act relating to law enforcement interrogation policies.

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. 6** to the Senate is as follows:

"June 1, 2023

The Honorable John Bloomer
Secretary of the Senate
115 State Street
Montpelier, VT 05633

Dear Secretary Bloomer:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning S.6, *An Act Relating to Law Enforcement Interrogation Policies* without my signature because of my objections described below.

This bill started out as a reasonable approach to expand existing constitutional protections prohibiting deceptive and coercive interrogations for juvenile offenders under the age of 18. As passed, this bill would make Vermont an outlier by offering these expanded protections to young adult offenders up to the age of 22, despite Vermont's already robust constitutional protections. There was uniform testimony in opposition to this bill from the entities charged with promoting public safety, including crime victim services and child advocacy centers, that this bill will remove tools from law enforcement used to investigate very serious, violent crimes at a time when our communities are not feeling safe and are asking us to do more.

This bill would make it more difficult to investigate and prosecute young adult perpetrators involved in serious crimes, such as narcotics trafficking, sex offenses, including sexual assaults that happen on college campuses and child sex abuse cases, and internet crimes against children.

For this reason, I'm returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,
/s/Philip B. Scott
Governor

PBS/kp"

Message from the House No. 73

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

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on May 15, 2023, he approved and signed bills originating in the House of the following titles:

H. 150. An act relating to approval of an amendment to the charter of the Village of Alburgh.

H. 178. An act relating to commissioning Department of Corrections personnel as notaries public.

H. 288. An act relating to liability for the sale of alcoholic beverages.

The Governor has informed the House that on May 25, 2023, he approved and signed bills originating in the House of the following titles:

H. 53. An act relating to driver's license suspensions and revenue for the Domestic and Sexual Violence Special Fund.

H. 110. An act relating to extending the sunset under 30 V.S.A. § 248a.

H. 161. An act relating to issuance of burning permits.

H. 222. An act relating to reducing overdoses.

H. 495. An act relating to the approval of the amendment to the charter of the Town of Middlebury.

H. 506. An act relating to approval of amendments to the election boundary provisions of the charter of the City of Burlington.

H. 507. An act relating to approval of amendments to the polling place provisions of the charter of the City of Burlington.

The Governor has informed the House that on June 1, 2023, he approved and signed bills originating in the House of the following titles:

H. 62. An act relating to the interstate Counseling Compact.

H. 77. An act relating to Vermont's adoption of the Physical Therapy Licensure Compact.

H. 86. An act relating to Vermont's adoption of the Audiology and Speech-Language Pathology Interstate Compact.

H. 282. An act relating to the Psychology Interjurisdictional Compact.

H. 473. An act relating to radiologist assistants.

H. 517. An act relating to approval of the dissolution of Duxbury-Moretown Fire District No. 1 and to deputy State's Attorneys.

The Governor has informed the House that on May 27, 2023, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 508 An act relating to approval of an amendment to the ranked choice voting provisions of the charter of the City of Burlington

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 508**, as follows:

"May 27, 2023

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Re: H.508, AN ACT RELATING TO APPROVAL OF AN AMENDMENT TO THE RANKED CHOICE VOTING PROVISIONS OF THE CHARTER OF THE CITY OF BURLINGTON

Dear Legislators:

Today, I am letting H.508, *An Act Relating to Approval of an Amendment to the Ranked Choice Voting Provisions of the Charter of the City of Burlington,* become law without my signature.

As I wrote last year when Burlington amended its charter to institute ranked choice voting for City Councilors, I am allowing this bill to move forward because its scope is limited to the method of elections of the Burlington Mayor, school commissioners and ward election officers. As we know, ranked choice voting went terribly wrong over a decade ago, resulting in Burlington abandoning the practice. Nevertheless, it appears the politics have changed in the City, for now, in favor of ranked choice voting.

To be clear, I remain opposed to a statewide system of ranked choice voting. I believe one person should get one vote, and candidates who get the most votes should win elections.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on June 1, 2023, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 230 An act relating to implementing mechanisms to reduce suicide and community violence.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 230**, as follows:

"June 1, 2023

Vermont General Assembly
115 State Street
Montpelier, VT 05633

Re: H.230, AN ACT RELATING TO IMPLEMENTING MECHANISMS TO REDUCE SUICIDE AND COMMUNITY VIOLENCE

Dear Legislators:

Today I'm allowing H.230, *An act relating to implementing mechanisms to reduce suicide and community violence,* to become law without my signature.

This bill has come a long way. It started as something I could not support, but after a lot of time and effort from various parties, it ended in a better place, where I support two out of the three major provisions.

First, I believe the expansion of who can petition the court for an extreme risk protection order will prove to be helpful in keeping guns out of the hands of those who are at risk of doing harm to themselves or others.

Second, the provision relating to 'safe storage' creates a more palatable and effective approach to ensure guns are not readily accessible to those who shouldn't have them.

Unfortunately, the third component, including the 72-hour waiting period is, in my opinion, problematic.

Given the relatively new legal landscape we find ourselves in following recent U.S. Supreme Court decisions, I have significant concerns about the provision's constitutionality. My struggle with the overall bill lies in the fact that I, and all legislators, took an oath to 'not do any act or thing injurious to the constitution.'

However, this matter is currently being taken up through constitutional legal tests across the country and will be decided in Federal Court. I would also not be surprised to see a Vermont entity challenge the constitutionality of this provision of the bill, as well.

With this in mind, knowing that my constitutional concerns will be addressed through the legal process, I will allow H.230 to become law without my signature, and await the judicial branch to decide the fate of waiting periods.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on May 27, 2023, he returned without signature and *vetoed* a bill originating in the House of the following title:

H. 494. An act relating to making appropriations for the support of government.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, whereby he *vetoed* and returned unsigned **House Bill No. 494** to the House as follows:

"May 27, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.494– *An act relating to making appropriations for the support of government,* without my signature because of my objections described herein:

In my address to the Legislature in January, I reported that with organic revenue growth we could achieve our shared goals. My budget leveraged a historic $390 million in surplus revenue to fund our shared priorities like childcare, voluntary paid family and medical leave, housing, climate change mitigation, and more – all without raising taxes or fees.

This approach is critical because Vermonters have made it clear that living in our state is not affordable; and the data backs that up as we are ranked as having one of the highest tax burdens in the nation. Adding to this pressure, Vermonters continue to pay more for everyday essentials due to persistent inflation.

With all of this in mind, we cannot and should not ask Vermonters to shoulder the burden of new and higher taxes, fees, and penalties.

And yet, across this budget and other bills, the Legislature's tax, fee and spending decisions this session may add an average of nearly $1,200 to a household's burden each year – on top of higher property tax bills and inflation, which have already consumed the increase in most people's paychecks.

Specifically, this budget unnecessarily increases DMV fees by 20 percent and is reliant on a new and regressive, payroll tax in H.217. The DMV fee

increase will once again place Vermont in the unenviable position of being the most expensive state in the northeast to maintain a driver's license and register a vehicle. The combination of this with so many other increases will hurt everyday Vermonters now and into the future.

I'm also concerned the substantial increase in ongoing base spending, that Vermonters must bear into the future, is not sustainable. This increase – more than twice the rate of current inflation – is especially concerning because it does not include the full cost of the new programs created this year that rely on new tax revenue or will otherwise add to Vermonters' costs, including the childcare expansion, universal school meals, the clean heat standard and more.

Here's the bottom line: I cannot support a budget that relies on new and regressive taxes and fees, combined with the overall increase in base spending that is far beyond our ability to sustain, especially because there is a way to achieve our shared policy goals without them. The risk to Vermonters is too great.

Vermonters have elected and reelected me, in part, to provide balance and fiscal responsibility in Montpelier and I will follow through on that mandate. I strongly urge the Legislature to work with me on a path forward that accomplishes our shared goals.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on May 27, 2023, he returned without signature and *vetoed* a bill originating in the House of the following title:

H. 386. An act relating to approval of amendments to the charter of the Town of Brattleboro.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, whereby he *vetoed* and returned unsigned **House Bill No. 386** to the House as follows:

"May 27, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.386, *An Act Relating to Approval of Amendments to the Charter of the Town of Brattleboro* without my signature because of my objections described below.

This bill is almost identical in language and purpose to a bill passed last year, H.361, *An Act Relating to Approval of Amendments to the Charter of the Town of Brattleboro,* which I vetoed in 2022 (see attached veto message). As I said last year, I believe it is important to encourage young Vermonters to have an interest in issues affecting their schools, their communities, their state and their country. However, I do not support lowering the voting age in Brattleboro, nor lowering the age to run for Town office and sign contracts on behalf of taxpayers.

As I specified last year, "given how inconsistent Vermont law already is on the age of adulthood, this proposal will only worsen the problem. For example, the Legislature has repeatedly raised the age of accountability to reduce the consequences when young adults commit criminal offenses. They have argued this approach is justified because these offenders are not mature enough to contemplate the full range of risks and impacts of their actions."

Adding to that inconsistency, just one month ago the Legislature passed, and I signed, H.148, *An act relating to the age of eligibility to marry,* or, "The Act to Ban Child Marriage*,"* which raised the age of eligibility to marry to age 18. Proponents rightly argued, "all young people in Vermont deserve equal opportunities to enjoy their childhood…", they also pointed to undo influence by controlling parents.

Additionally, proponents of this bill have argued it represents the will of the voters. In fact, this is not the case. With H.386 the Legislature substantially changed and expanded the charter change, going against the intent of the voters (see attached Brattleboro sample ballot).

For all these reasons, I'm returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on May 27, 2023, he returned without signature and *vetoed* a bill originating in the House of the following title:

H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, whereby he *vetoed* and returned unsigned **House Bill No. 509** to the House as follows:

"May 27, 2023

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.509, *An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington*, without my signature.

As I wrote when returning similar bills without signature in 2021, this highly variable town-by-town approach to municipal election policy creates separate and unequal classes of legal residents potentially eligible to vote on local voting issues. I am well aware of the recent Vermont Supreme Court decision, as well as a historic Vermont Supreme Court decision on the issue of constitutionality. I also have no objection to the policy direction. I am happy to see legal residents who are non-citizens calling Vermont home and participating in the issues affecting their communities.

However, the fundamentals of voting should be universal and implemented statewide. I again urge the Legislature to establish clarity and consistency on this matter with a template or uniform standards, before continuing to allow municipalities to move forward with changes to resident voter eligibility in their cities and towns. Returning this bill 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.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on June 1, 2023, he returned without signature and vetoed a bill originating in the House of the following title:

H. 305. An act relating to professions and occupations regulated by the Office of Professional Regulation.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, whereby he *vetoed* and returned unsigned **House Bill No. 305** to the House as follows:

"June 1, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.305, *An act relating to professions and occupations regulated by the Office of Professional Regulation,* without my signature because of my objections described herein:

I've successfully partnered with the Secretary of State's Office of Professional Regulation on several occasions since taking office to remove employment barriers for licensed professionals, and to create civilian licensure pathways for military professionals. However, I'm concerned about the impact of raising licensing fees on workers we're trying to attract to these critical sectors and adding to the affordability challenges Vermont employees and employers already face.

While these fee increases may look modest, they contribute to the high cumulative impact of new costs being levied on Vermonters this session. I will continue to fight against creating new and higher taxes and fees during a time when Vermonters are grappling with persistent inflation, and when we have record surpluses available to assist us.

For all these reasons, I'm returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 5th day of June, 2023 he approved and signed bills originating in the Senate of the following titles:

S. 33. An act relating to miscellaneous judiciary procedures.

S. 100. An act relating to housing opportunities made for everyone.

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:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 6, 2023, he approved and signed bills originating in the House of the following titles:

H. 45. An act relating to abusive litigation filed against survivors of domestic abuse, stalking, or sexual assault.

H. 94. An act relating to removing the Reach Up ratable reduction.

H. 102. An act relating to the Art in State Buildings Program.

H. 206. An act relating to miscellaneous changes affecting the duties of the Department of Vermont Health Access.

H. 492. An act relating to setting the homestead property tax yields and the nonhomestead property tax rate.

The Governor has informed the House that on June 6, 2023, he returned without signature and vetoed a bill originating in the House of the following title:

H. 217. An act relating to child care, early education, workers' compensation, and unemployment insurance.

Text of Communication from Governor

The text of the communication to the House from His Excellency, the Governor, whereby he *vetoed* and returned unsigned **House Bill No. 217** to the House is as follows:

"June 6, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.217, *An act relating to childcare, early education, workers' compensation, and unemployment insurance,* without my signature because of my objections described herein:

Increasing the availability and affordability of childcare has been a priority throughout my time as Governor. In fact, in my first six years in office we doubled our investments in childcare and these appropriations would be substantially higher had previous legislatures supported fully funding my proposals.

I also put forward a plan in 2018 to dedicate tens of millions of dollars in new online sales tax revenue to childcare. If the Legislature had supported this proposal, we would be investing an additional $62 million this year alone, and much more in future years. And last year we expanded childcare subsidies to 350% of the federal poverty level. To put that in perspective, a four-member household (e.g., two adults and two children) earning $105,000 per year is currently eligible for subsidies.

Knowing the Legislature and I both wanted to "go big" on childcare this year, I dedicated $56 million in organic, ongoing base revenue growth to expand eligibility to families making up to 400% of the Federal Poverty Level (FPL). This would put Vermont at the top of the list of the most generous childcare states in the nation, giving households earning up to $120,000 per year access to support, and helping about 4,000 more kids.

When the Senate and House were at stalemate in May, my team offered legislative leaders another path, expanding subsidies even higher (to 450% of the Federal Poverty Level) and funding a 10 percent increase in provider rates, without relying on new and regressive taxes.

In total this compromise would have covered 6,000 more kids than our existing investment, helping families making up to $135,000 a year, and definitively establishing Vermont as the state most committed to affordable, accessible childcare for working families.

Unfortunately, there was no interest. Instead, the Legislature remained determined to raise a new tax. Ultimately landing on a regressive payroll tax

that, if you are a lower income Vermonter already receiving free childcare, you will have to pay a tax, with no added benefit to you, so that families with higher incomes get support.

Vermont already has one of the highest tax burdens in the nation. The last thing we should be doing is making it worse. Raising new revenue from taxes and fees should be a last resort, not a first step.

Supporters of raising taxes and fees will always point to the relatively small amount raised for each individual program or service – trying to suggest it is not that much money. But that type of narrow here-and-there thinking adds up, year after year, and has made living in Vermont increasingly unaffordable.

For these reasons, I had to veto this regressive tax plan.

Sincerely,

/s/Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on June 8, 2023, he approved and signed bills originating in the House of the following titles:

H. 125. An act relating to boards and commissions.

H. 157. An act relating to the Vermont basic needs budget.

H. 452. An act relating to expanding apprenticeship and other workforce opportunities.

H. 481. An act relating to public health initiatives to address death by suicide.

H. 488. An act relating to approval of the adoption of the charter of the Town of Ludlow.

H. 489. An act relating to approval of an amendment to the charter of the Town of Shelburne.

H. 504. An act relating to approval of amendments to the charter of the Town of Berlin.

H. 505. An act relating to approval of an amendment to the charter of the City of Rutland.

Committees Appointed After Final Adjournment

Appointment of Senate Members to Cannabis Control Board Nominating Committee

Pursuant to the provisions of 7 V.S.A. § 842 (2)(b)(3), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Cannabis Control Board Nominating Committee during this biennium:

Senator Ram Hinsdale
Senator Vyhovsky

Appointment of Senate Members to Health Reform Oversight Committee

Pursuant to the provisions of 2 V.S.A. § 691, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Health Reform Oversight Committee:

Senator Kitchel
Senator Cummings
Senator Lyons
Senator Westman

Appointment of Senate Members to Committee to Oversee Planning and Design of the State House

Pursuant to the provisions of Act No. 43, § 28(b) (Acts of 2005), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Committee to Oversee Planning and Design of the State House:

Senator Ingalls
Senator Harrison

Appointment of Senate Members to Commission on Alzheimer's Disease and Related Disorders

Pursuant to the provisions of 3 V.S.A. § 3085b(b), the President announced the appointment by the President of the following Senator to serve on the Commission on Alzheimer's Disease and Related Disorders during this biennium:

Senator Brock

Appointment of Senate Member to Art in State Buildings Advisory Committee

Pursuant to the provisions of 29 V.S.A. § 47, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Art in State Buildings Advisory Committee during this biennium:

Senator Ingalls, *ex officio*

Appointment of Senate Member to the Access Board

Pursuant to the provisions of 20 V.S.A. § 2901, the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Access Board for a term of two years:

Senator Ingalls, *ex officio*

Appointment of Senate Member to the Barre Granite and Ethnic Culture Museum Steering Committee

Pursuant to the provisions of Act. No. 233 § 6 (a)(7) (Acts of 1993) (Adj. Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Barre Granite and Ethnic Culture Museum Steering Committee during this biennium:

Senator Ingalls
Senator Perchlik
Senator Cummings
Senator Watson

Appointment of Senate Member to Human Services and Educational Facilities Grant Advisory Committee

Pursuant to the provisions of 24 V.S.A. § 5606(b), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Human Services and Educational Facilities Grant Advisory Committee:

Senator Harrison

Appointment of Senate Members to the Legislative Advisory Committee on the State House

Pursuant to the provisions of 2 V.S.A. § 651(b)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Legislative Advisory Committee on the State House for terms of two years:

Senator Clarkson
Senator Hardy
Senator Perchlik

Appointment of Senate Members to the Vermont Citizens Advisory Committee on Lake Champlain's Future

Pursuant to the provisions of 10 V.S.A. §1960, the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Committee on Lake Champlain's Future for the current biennium:

Senator Brock
Senator Gulick

Commission on International Trade and State Sovereignty

Pursuant to the provisions of 3 V.S.A. §23(b)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Commission on International Trade and State Sovereignty for a term of two years:

Senator Ram Hinsdale, *ex officio*

Appointment of Senate Members to the Joint Information Technology Oversight Committee

Pursuant to the provisions of 2 V.S.A. § 614(b)(2), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Joint Information Technology Oversight Committee during this biennium:

Senator Brock
Senator Chittenden
Senator Wrenner

Appointment of Senate Members to Advisory Council on Child Poverty and Strengthening Families

Pursuant to the provisions of Act No. 207. § 1(b)(1)(A) (Acts of 2017)(Adj. Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Advisory Council on Advisory Council on Child Poverty and Strengthening Families during this biennium:

Senator Lyons
Senator Westman
Senator Gulick

Building Energy Code Study Committee

Pursuant to the provisions of Act No. 47. § 23 (b) (2023 Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Building Energy Code Study Committee during this biennium:

Senator Bray

Renewable Energy Standard Working Group

Pursuant to the provisions of Act. No. 33. § 10a(b)(1) (2023 Session), the President on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Renewable Energy Standard Working Group during this biennium:

Senator Bray
Senator Watson

Mobile Home Task Force

Pursuant to the provisions of Act No. 47. § 32(b)(2) (2023 Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to the Mobile Home Task Force during this biennium:

Senator Harrison

Working Group on Policies Pertaining to Individuals with Intellectual Disabilities Who are Criminial-Justice Involved

Pursuant to the provisions of Act No. 27. § 6(b)(1)(M) (2023 Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senators to serve on the Working Group on Policies Pertaining to Individuals with Intellectual Disabilities Who are Criminial-Justice Involved during this biennium:

Senator Sears
Senator Lyons

TUESDAY, JUNE 20, 2023

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. 75

A message was received from the House of Representatives by Mr. Nigel Hicks-Tibbles, its First Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 12, 2023, he approved and signed bills originating in the House of the following titles:

H. 31. An act relating to aquatic nuisance control.

H. 67. An act relating to household products containing hazardous substances.

H. 227. An act relating to the Vermont Uniform Power of Attorney Act.

H. 414. An act relating to establishing an unused drug repository for Vermont.

H. 479. An act relating to the Transportation Program and miscellaneous changes to laws related to transportation.

The Governor has informed the House that on June 12, 2023, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 126. An act relating to community resilience and biodiversity protection.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 126**, is as follows:

"June 12, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Today I'm allowing H.126, *An act relating to community resilience and biodiversity protection,* to become law without my signature.

I appreciate the General Assembly worked with my Administration to address the concerns I raised last year in my veto message regarding H.606, *An act relating to community resilience and biodiversity protection.* This bill changed in ways that attempt to better align with ongoing conservation work in Vermont.

Unfortunately, in the effort to achieve flexibility, this bill incorporates findings which muddy the purpose and uses definitions so broad and vague as to be virtually meaningless. Which led me to consider a veto because it could be read to mean anything to anybody.

Instead, I'm letting this bill go into law because this bill puts the Agency of Natural Resources (ANR) in a stronger position to direct how state and federal conservation funding is targeted and prioritized in the future. ANR will oversee the efforts of the Vermont Housing Conservation Board (VHCB) as it works in partnership with ANR to develop inventories as well as strategy and implementation methods.

Importantly, ANR will be the clear lead in the effort to achieve our conservation goals with the understanding future growth is necessary and inevitable in Vermont.

This bill anticipates the need for housing and for the conservation plan to incorporate Smart Growth principles to ensure future conservation investment does not impede the buildout of areas the state has designated for growth. Balancing land protection and housing is core to the State's future and this bill will allow ANR to work closely with VHCB to ensure this critical balance in the planning process.

Finally, ANR is positioned to interpret the bill's unusually unclear definitions, through rulemaking if necessary, to allow a mix of strategies to include permanent tools like land purchases and conservation easements, as well as other land protection mechanisms that help achieve the bill's goal of an ecologically functional and connected landscape such as the State's Current Use program and other innovative market-based conservation tools.

The bottom line is I'm allowing this bill to go into law because in this case, the Legislature has appropriately given this task to an Agency of the Executive Branch that will be accountable to Vermont's taxpayers.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

The Governor has informed the House that on June 14, 2023, he approved and signed bills originating in the House of the following titles:

H. 127. An act relating to sports wagering.

H. 461. An act relating to making miscellaneous changes in education laws.

H. 470. An act relating to miscellaneous amendments to alcoholic beverage laws.

H. 480. An act relating to property valuation and reappraisals.

H. 493. An act relating to capital construction and State bonding.

The Governor has informed the House that on June 14, 2023, he did not approve and allowed to become law without his signature a bill originating in the House of the following title:

H. 165. An act relating to school food programs and universal school meals.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 165**, is as follows:

"June 14, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Vermonters have made their ongoing concerns about the affordability of our state abundantly clear. Despite these concerns and my efforts, legislative action this year has added a new, approximately $100 million payroll tax; $20 million in unnecessary DMV fee increases; hundreds of millions in additional cost pressures that will come as a result of the override of my veto of the clean heat standard bill; an unsustainable $70 million increase in base budget spending

over my recommendation; an eventual doubling of their own pay and benefits; and more.

With H.165, the Legislature has added $20-30 million in property tax pressure to pay for school meals for all students, including those from affluent families. This will be paid for by all Vermonters, including those with low incomes. That's not progressive education funding policy, it's regressive policy that hurts the very families we are trying to help.

I know a veto would in all reality be overridden, and further distract us from the work we should be prioritizing for our kids, like reversing pandemic learning loss; addressing declining math and reading scores; addressing youth mental health challenges (which inhibit learning); and more.

Therefore, I'm allowing H.165, *An act relating to school food programs and universal school meals,* to become law without my signature. And I ask the Legislature to rethink this sincere but regressive policy in the future, so working Vermonters are not paying for the meals of families who could better afford it.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

The Governor informed the House that on June 14, 2023, he did not approve and allow to become law without his signature a bill originating in the House of the following title:

H. 270. An act relating to miscellaneous amendments to the adult-use and medical cannabis programs.

Text of Communication from the Governor

The text of the communication to the House from His Excellency, the Governor, setting for his reasons for refusing to sign and *allowing to become law without his signature*, **House Bill No. 270**, is as follows:

"June 14, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
115 State Street
Montpelier, VT 05633

Dear Ms. Wrask:

Today I'm allowing H.270, *An act relating to miscellaneous amendments to the adult-use and medical cannabis programs,* to become law without my signature.

I'm concerned this bill repeals the sunset of the Cannabis Control Board (CCB), a change which appears minor, but in fact has substantive consequences for the principle of separation of powers.

I understand there is a need for an alternative structure for regulating controlled substances that remain federally illegal so that we do not compromise federal funding. However, when removing the sunset on the CCB, the statutory authority of the CCB needs to be clarified to ensure constitutionality and accountability to the governor.

Like the Department of Liquor and Lottery, the CCB exercises the police powers of the governor. It has investigators and enforcement agents. It has substantial rulemaking authority which affects the rights and obligations of licensees. The CCB is not a legislative body, nor is it quasi-judicial. The Legislature has no authority to delegate the Constitutional power of the governor to faithfully execute the laws to an entity that is now permanently independent of the executive branch and is, therefore, not accountable to the people of Vermont. Constitutionally, the CCB must be accountable to the governor as part of the Executive Branch.

My concerns have nothing to do with the capabilities of the current CCB. I believe my appointees have done a thorough job starting up and regulating the legal cannabis marketplace in Vermont. However, the current law establishes the CCB as an "independent commission" with its members vetted through a nominating board made up primarily of legislators who submit candidates to the governor. Once appointed, CCB members may only be removed for cause by the other two CCB members. The CCB has added staff, taken over the regulation of medical cannabis and the medical registry, and grown to be an approximately 22-member department. As an independent entity, the CCB regulates a multi-million-dollar industry with no oversight. Again, while I have complete confidence in the current CCB, this lack of oversight creates the risk for future mismanagement, conflicts of interest and other harmful impacts.

Fortunately, current law does not "notwithstand" applicable law which makes clear that the members of the CCB serve at the pleasure of the governor. For this reason, I'm letting this bill go into law without my signature because I'm confident the members of the CCB, and hopefully the Legislature, will work with me to pass legislation to make the modifications necessary to clarify the statutory authority of the CCB is constitutional.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

Message from the House No. 76

A message was received from the House of Representatives by Mr. Nigel Hicks-Tibbles, its First Assistant Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 19, 2023, he approved and signed bills originating in the House of the following titles:

H. 175. An act relating to modernizing the Children and Family Council for Prevention Programs.

H. 291. An act relating to the creation of the Cybersecurity Advisory Council.

H. 471. An act relating to technical and administrative changes to Vermont's tax laws.

H. 472. An act relating to miscellaneous agricultural subjects.

H. 476. An act relating to miscellaneous changes to law enforcement officer training laws.

H. 482. An act relating to Vermont Criminal Justice Council recommendations for law enforcement officer training.

H. 490. An act relating to approving the merger of the Village of Lyndonville with the Town of Lyndon.

Bill Recommitted

Appearing on the Calendar for action, Senator Baruth moved that House bill entitled:

H. 429. An act relating to miscellaneous changes to election laws.

be recommitted to the Committee on Government Operations,

Which was agreed to.

Joint Senate Resolution Adopted on the Part of the Senate

J.R.S. 28.

Joint Senate resolution of the following title was offered, read and adopted on the part of the Senate, and is as follows:

By Senator Baruth,

J.R.S. 28. Joint resolution relating to compensation of Members of the General Assembly during the remainder of the 2023 Biennial Session.

Whereas, in order that the 2023 Biennial Session of the General Assembly may achieve an orderly adjournment, provide reasonable compensation to Members of the General Assembly for their services, and to preserve the funds of the State, *now therefore be it*

Resolved by the Senate and House of Representatives:

That notwithstanding the provisions of 32 V.S.A. §§ 1051(a)(1) and 1052(a)(1) providing for a weekly rate of compensation, commencing June 20, 2023, Members of the General Assembly shall be entitled to compensation for services equal to a daily rate of one-fourth of the annually adjusted weekly compensation set forth in sections 1051(a)(1) and 1052(a)(1) and reimbursement for expenses at the daily rate established in sections 1051(a)(3) and 1052(b) of Title 32 for each day on which their respective houses shall sit and the member attends for the remainder of the 2023 Biennial Session, except that no member shall receive compensation for more than four days in any week.

Rules Suspended; House Proposals of Amendment Concurred In

S. 80.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposals of amendment to Senate bill entitled:

An act relating to miscellaneous environmental conservation subjects.

Was taken up for immediate consideration.

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

First: By adding Secs. 6a and 6b to read as follows:

Sec. 6a. USE OF VERMONT ENVIRONMENTAL PROTECTION AGENCY (EPA) POLLUTION CONTROL REVOLVING FUND

Notwithstanding the authority of the Secretary of Natural Resources under 24 V.S.A. § 4753 to transfer up to $275,000.00 from the Vermont EPA

Pollution Control Revolving Fund to the Vermont Wastewater and Potable Water Revolving Fund, the Secretary of Natural Resources shall not transfer any funds from the EPA Pollution Control Revolving Fund to the Vermont Wastewater and Potable Water Revolving Fund after July 1, 2024 until:

(1) the Secretary of Natural Resources submits the comprehensive fee report required by the General Assembly for each Agency of Natural Resources fee in existence on July 1, 2023;

(2) the Secretary of Natural Resources submits the report required under Sec. 6b (report on EPA revolving funds) of this act; and

(3) an act of the General Assembly authorizes transfers from the Vermont EPA Pollution Control Revolving Fund to the Vermont Wastewater and Potable Water Revolving Fund to continue after July 1, 2024.

Sec. 6b. ANR REPORT ON REVOLVING LOAN FUNDS

On or before January 15, 2024, the Secretary of Natural Resources shall submit to the House Committee on Corrections and Institutions and the Senate Committee on Institutions a report summarizing the status of the Vermont Environmental Protection Agency (EPA) Pollution Control Revolving Fund and the Vermont Environmental Protection Agency (EPA) Drinking Water State Revolving Fund. The report shall include an accounting of the Funds, including the following information for each Fund as it existed at the end of fiscal year 2023:

(1) the balance of funds in the Fund;

(2) the amount of funds loaned or obligated from the Fund;

(3) the amount of funds repaid to the Fund in fiscal year 2023; and

(4) the amount of funds due for repayment to the Fund.

Second: By striking out Sec. 7, 2018 Acts and Resolves No. 185, Sec. 12, in its entirety and inserting in lieu thereof a new Sec. 7 and reader assistance heading to read as follows:

* * * Riparian Protection * * *

Sec. 7. ANR REPORT ON RIPARIAN PROTECTION PROGRAM

The Secretary of Natural Resources shall conduct a stakeholder process to develop recommendations on the implementation of a riparian protection program in the State. The stakeholder process shall address what elements of a riparian protection program should be implemented to protect water quality and aquatic habitat and what funding would be required to implement a riparian protection program. On or before December 15, 2023, the Secretary

shall submit its recommendations on the implementation of a riparian protection program to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy.

Third: In Sec. 16, 29 V.S.A. § 405(d), in subsection (d), after "on the date that" and before "is signed" by inserting the word "it"

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

Recess

On motion of Senator Baruth the Senate recessed until 1:00 p.m.

Called to Order

The Senate was called to order by the President.

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:

Mr. President:

I am directed to inform the Senate that:

The House has considered the Governor's veto on House bill of the following title:

H. 217. An act relating to child care, early education, workers' compensation, and unemployment insurance.

And has passed the same, the refusal of the Governor to approve notwithstanding.

The House has considered the Governor's veto on House bill of the following title:

H. 305. An act relating to professions and occupations regulated by the Office of Professional Regulation.

And has passed the same, the refusal of the Governor to approve notwithstanding.

Rules Suspended; Bill Recommitted

S. 6.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to law enforcement interrogation policies.

Was taken up for immediate consideration.

Thereupon, pending the question, Shall the bill pass notwithstanding the refusal of the Governor to approve it?, Senator Baruth moved that the bill be recommitted to the Committee on Judiciary.

Which was agreed to.

Rules Suspended; Governor's Veto Overridden

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the Governor's veto on House bill entitled:

H. 305. An act relating to professions and occupations regulated by the Office of Professional Regulation.

Was taken up for immediate consideration.

Thereupon, the pending question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 23, Nays 7. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Westman, Williams.

Recess

On motion of Senator Baruth the Senate recessed until 3:30 p.m.

Called to Order

The Senate was called to order by the President.

Joint Senate Resolutions Adopted on the Part of the Senate

Joint Senate resolutions of the following titles were severally offered, read and adopted on the part of the Senate, and are as follows:

By Senator Baruth,

J.R.S. 29. Joint resolution relating to adjournment of the 2023 Biennial Session of the General Assembly.

Resolved by the Senate and House of Representatives:

That the President of the Senate and the Speaker of the House of Representatives adjourn their respective Houses on June 20, 2023, June 21, 2023, or June 22, 2023 until, in the case of the Senate, the President Pro Tempore of the Senate calls the Senate to Order and until, in the case of the House of Representatives, the Speaker of the House of Representatives calls the House of Representatives to order; so that the two Houses may consider only the following orders of business:

1. Adjournment to a day certain; or,

2. Matters relating to impeachment proceedings of Franklin County State's Attorney John Lavoie or Franklin County Sheriff John Grismore, or both;

And, and if not so called then to reconvene on the third day of January 2024, at ten o'clock in the forenoon; *and be it further*

Resolved*:* As required by Section 6 of Chapter II of the Constitution, the Senate grants consent to the House of Representatives to be in Session or adjournment during the time that the Senate is in Session, and the House grants consent to the Senate to be in Session or adjournment during the time that the House is in Session.

By Senator Baruth,

J.R.S. 30. Joint resolution relating to compensation of House Managers of Articles of Impeachment.

Whereas, H.R. 11 established a Special Committee on Impeachment Inquiry, granting the Special Committee investigatory powers to establish whether sufficient grounds exist for the House of Representatives to exercise its constitutional power to impeach Franklin County State's Attorney John Lavoie or Franklin County Sheriff John Grismore, or both, and

Whereas, as of this date, the Special Committee on Impeachment Inquiry has not yet concluded its investigation, and

Whereas, pursuant to J.R.S. 28, Members of the General Assembly are authorized to receive compensation and expenses during times in which their House is meeting for the remainder of the 2023 Biennial Session, and

Whereas, should the House of Representatives impeach either, or both, individual(s) aforementioned, House managers would then be appointed by the Speaker of the House to prepare, present, and prosecute the article(s) of Impeachment to the Vermont Senate, *now be it*

***Resolved by the Senate and House of Representatives*:**

That the managers on the part of the House of Representatives appointed by the Speaker of the House shall, while House of Representatives is in recess, act on behalf of the House of Representatives and the people of the State of Vermont to do all things necessary to prepare, present, and to prosecute any resolution(s) and article(s) of impeachment adopted by the House of Representatives to the Senate, relating to John Lavoie, Franklin County State's Attorney, or John Grismore, Franklin County Sheriff, or both. The managers on the part of the House of Representatives may utilize the services and assistance of the Vermont State Police and the Legislative Counsel for the purposes of preparing, presenting and prosecution the impeachment resolution, *and be it further*

Resolved: That the House managers appointed by the Speaker be entitled to compensation for services at a daily rate of one-fourth of the annually adjusted weekly compensation set forth in 32 V.S.A. §§ 1052(a)(1) and reimbursement for expenses at the daily rate established in 32 V.S.A. §§ 1052(b), except that no manager shall receive compensation for more than four days in any week for any date in which the managers shall be preparing, presenting, and prosecuting the impeachment(s) when the House of Representatives is not seated in session.

Recess

On motion of Senator Baruth 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. 78

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

Mr. President:

I am directed to inform the Senate that:

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

H. 171. An act relating to adult protective services.

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

The House has considered the Governor’s veto on House bill of the following title:

H. 494. An act relating to making appropriations for the support of government.

And has passed the same, the refusal of the Governor to approve notwithstanding.

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:

Mr. President:

I am directed to inform the Senate that:

The House has adopted joint resolution of the following title:

J.R.H. 6. Joint resolution authorizing limited remote joint committee voting through the first Friday of the 2024 Adjourned Session.

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

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

J.R.S. 28. Joint resolution relating to compensation of Members of the General Assembly during the remainder of the 2023 Biennial Session.

And has adopted the same in concurrence.

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:

Mr. President:

I am directed to inform the Senate that:

The House has considered the Governor's veto on House bill of the following title:

H. 386. An act relating to approval of amendments to the charter of the Town of Brattleboro.

And has passed the same, the refusal of the Governor to approve notwithstanding.

The House has considered the Governor's veto on House bill of the following title:

H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

And has passed the same, the refusal of the Governor to approve notwithstanding.

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:

Mr. President:

I am directed to inform the Senate that:

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

H. 158. An act relating to the beverage container redemption system.

And has concurred therein.

Rules Suspended; Bill Recommitted

S. 39

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to compensation and benefits for members of the Vermont General Assembly.

Was taken up for immediate consideration.

Thereupon, pending the question, Shall the bill pass notwithstanding the refusal of the Governor to approve it?, Senator Baruth moved that the bill be recommitted to the Committee on Government Operations.

Which was agreed to.

Rules Suspended; Governor's Veto Overridden

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the Governor's veto on House bill entitled:

H. 386. An act relating to approval of amendments to the charter of the Town of Brattleboro.

Was taken up for immediate consideration.

Thereupon, the question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 20, Nays 10. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Starr, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Chittenden, Collamore, Ingalls, Mazza, Norris, Sears, Weeks, Westman, Williams.

Joint Resolution Adopted in Concurrence

J.R.H. 6.

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

Resolved by the Senate and House of Representatives:

That through Friday, January 5, 2024, each member of a joint committee is authorized to vote remotely in that committee:

(1) if the member has tested positive for COVID-19 and is within a required period of isolation as provided by Vermont Department of Health guidelines; and

(2) for not more than three days, for any other reason, *and be it further*

Resolved: Such a member shall notify the committee chair or co-chairs, as applicable, and the committee clerk that the member is exercising this remote voting authority, and shall count toward a committee quorum, *and be it further*

Resolved: The committee clerk shall record any vote cast by the member as a remote vote, and shall track the number of days the member exercises the member's non-COVID-19 remote voting authority.

Rules Suspended; Governor's Veto Overridden

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and the Governor's veto on House bill entitled:

H. 509. An act relating to approval of amendments to the voter qualification provisions of the charter of the City of Burlington.

Was taken up for immediate consideration.

Thereupon, the question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 21, Nays 9. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, McCormack, Perchlik, Ram Hinsdale, Sears, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Mazza, Norris, Starr, Weeks, Westman, Williams.

Rules Suspended; House Proposal of Amendment to Senate Proposal of Amendment Concurred In

H. 171.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House proposal of amendment to Senate proposal of amendment to House bill entitled:

An act relating to adult protective services.

Was taken up for immediate consideration.

The House concurs in the Senate proposal of amendment with further proposal of amendment thereto by striking out Sec. 5, effective date, in its entirety and inserting in lieu thereof the following:

Sec. 5. EMERGENCY HOUSING TRANSITION; LEGISLATIVE INTENT; PURPOSE

(a) Vermont's pandemic-era General Assistance Emergency Housing Program is ending on June 30, 2023, and approximately 1,200 households are transitioning out of the Program.

(b) It is the intent of the General Assembly:

(1) that vulnerable Vermonters should continue to be housed while sufficient time is allocated for developing alternative housing placements, including emergency housing beds, and furthering community collaboration;

(2) to establish legislative oversight for the transition efforts;

(3) that the exits from hotel and motel accommodations occur through an intentional transition process that provides dignity, oversight, collaborative efforts, and coordinated service delivery;

(4) that all households find or are offered alternative housing options; and

(5) that the Agency of Human Services negotiate rate reductions with the participating hotels and motels, with a goal of achieving rates that are at least 50 percent lower than those in effect in June 2023.

(c) The purposes of Secs. 5–10 of this act are:

(1) to direct the Joint Fiscal Committee to monitor the efforts of the Agency of Human Services in assisting households with transitioning out of the pandemic-era General Assistance Emergency Housing Program and into post-pandemic housing; and

(2) to allow the Agency financial flexibility and resources, if needed, to provide transition and supportive services for the vulnerable Vermonters described in 2022 Acts and Resolves No. 185, Sec. B.1100(a)(33)(A), which was added by 2023 Acts and Resolves No. 3, Sec. 45.

Sec. 6. EMERGENCY HOUSING TRANSITION; AGENCY OF HUMAN SERVICES; JOINT FISCAL COMMITTEE OVERSIGHT; REPORTS

(a) Not later than April 1, 2024, the Agency of Human Services, directly or through its community partners, shall assist in finding or offer to each household housed as of June 30, 2023 in a hotel or motel through the pandemic-era General Assistance Emergency Housing Program an alternative housing placement, unless a household secures its own housing placement. Except as provided in subdivision (2) of this subsection, the Agency shall continue to provide temporary hotel or motel housing to a household that was housed in a hotel or motel through the pandemic-era General Assistance Emergency Housing Program as of June 30, 2023 until such time as the Agency offers the household an alternative housing placement or the household secures its own housing placement, but in no event later than April 1, 2024.

(1) Beginning on July 1, 2023, in order to maintain eligibility for temporary, continued hotel or motel housing while awaiting a housing placement, households housed in a hotel or motel through this act shall:

(A) participate in the coordinated entry and case management processes, including cooperating with the Agency and services providers on screening and care planning for transitioning out of the pandemic-era General Assistance Emergency Housing Program and engaging in monthly eligibility reassessments;

(B) engage in their own search for alternative housing options and notify their case manager, reentry team, or Agency staff if they are successful in securing a housing placement; and

(C) contribute 30 percent of their gross household income toward the cost of their hotel or motel housing.

(2) Between July 1, 2023 and April 1, 2024, the Agency of Human Services shall no longer be required to pay for a household's hotel or motel housing if any one or more of the following occurs:

(A) the household is offered an alternative housing placement but does not accept the offer within 48 hours;

(B) the household secures its own housing placement;

(C) the household fails to comply with one or more of the responsibilities set forth in subdivision (1) of this subsection (a); or

(D) the household is asked to leave the hotel or motel housing due to misconduct.

(3) As used in this act, "alternative housing placements" may include shelter beds and pods; placements with family or friends; permanent housing solutions, including tiny homes, manufactured homes, and apartments; residential treatment beds for physical health, long-term care, substance use, or mental health; nursing homes beds; and recovery homes.

(4) The temporary, continued hotel or motel housing benefit offered pursuant to this subsection (a) while awaiting a housing placement shall not be considered an entitlement, is not available to new applicants, and is limited to households in the pandemic-era General Assistance Emergency Housing Program as of June 30, 2023.

(b) On or before the last day of each month from July 2023 through March 2024, the Agency of Human Services, or other relevant agency or department, shall report to the House Committee on Human Services, the Senate Committee on Health and Welfare, and the Joint Fiscal Committee on its progress in assisting households housed in hotels and motels with transitioning from the pandemic-era General Assistance Emergency Housing Program to alternative housing placements and on the creation of new, alternative housing solutions. Each update shall include:

(1) the number of households remaining in hotels and motels that have not yet been transitioned to an alternative housing placement by household size, by eligibility category, and by each Agency of Human Services district;

(2) the number of actual alternative housing placements made during the previous reporting period compared with the targeted number of placements for that period;

(3) of the households successfully transitioned to an alternative housing placement during the previous month, the number of households whose screening indicated a potential need for services from each department within the Agency;

(4) the number of beds available for emergency housing in each Agency of Human Services district in the State, with separate reporting on the number of beds available in nursing homes and residential care homes for individuals whose screening indicates they could meet the clinical criteria for those settings and the number of emergency beds available for individuals whose screening indicates they do not meet the clinical criteria, including low-barrier shelters, beds for youth, and beds for individuals who have experienced domestic violence;

(5) of the households that were housed in a hotel or motel for four months or longer and transitioned out during the previous month, the number that have had all or a portion of their security deposits returned to them since leaving the hotel or motel or are awaiting the return of these funds;

(6) of the households that were housed in a hotel or motel for less than four months and transitioned out during the previous month, the amount of security deposit funds refunded to the State by the hotels and motels during that month;

(7) the number of households that have been successfully transitioned to an alternative housing placement since the previous report, the types of housing settings in which they have been placed, and the supportive services they are receiving in conjunction with their housing;

(8) the outlook for transitioning additional households to alternative housing placements in the coming months, including an estimate of the number of households likely to be placed per month;

(9) a projected timeline for transitioning the remaining households to alternative housing placements;

(10) the average negotiated rate for rooms that the Agency paid to the hotels and motels providing the temporary, continued hotel or motel housing during the previous month;

(11) the status of responding to and implementing the letters of interest from community partners and municipalities for housing and supportive services;

(12) the status of contracts for housing and supportive services resulting from the Agency's requests for proposals (RFPs), including the Agency's May 24, 2023 RFP for emergency shelter staffing and services;

(13) the status of grants awarded through the Housing Opportunity Program and how those grants relate to the Agency's efforts to assist households with transitioning out of the pandemic-era General Assistance Emergency Housing Program;

(14) once the Adverse Weather Conditions Policy takes effect again in the fall of 2023, how the Agency plans to distinguish the households that become eligible for the General Assistance Emergency Housing Program under that Policy from the households that the Agency is assisting with transitioning out of the pandemic-era General Assistance Emergency Housing Program;

(15) the total amount of funds expended to date on housing placements and supportive services for households transitioning out of the pandemic-era General Assistance Emergency Housing Program; and

(16) beginning with the September 2023 reporting period, any State rules and local regulations and ordinances that are impeding the timely development of safe, decent, affordable housing in Vermont communities in order to:

(A) identify areas in which flexibility or discretion are available; and

(B) advise whether the temporary suspension of relevant State rules and local regulations and ordinances, or the adoption or amendment of State rules, would facilitate faster and less costly revitalization of existing housing and construction of new housing units.

(c) On or before the last day of each month from July 2023 through March 2024, the Vermont Housing and Conservation Board shall report to the House Committees on Human Services and on General and Housing; the Senate Committees on Health and Welfare and on Economic Development, Housing and General Affairs; and the Joint Fiscal Committee on:

(1) the status of the Board's initiatives to make additional housing units available and how those initiatives support the Agency of Human Services' efforts to assist households with transitioning out of the pandemic-era General Assistance Emergency Housing Program; and

(2) the status of the Board's efforts to expand emergency shelter capacity, including the number of new beds available since the previous report, the number of additional beds planned, and when the additional planned beds are likely to become available.

(d) The Agency may hire temporary employees or contract with community-based organizations, or both, as needed to support the Agency in assisting households housed in hotels and motels with transitioning from the

pandemic-era General Assistance Emergency Housing Program to alternative housing placements; to support the creation of new, alternative housing solutions; and to collect and report on the information required by subsection (b) of this section.

(e) On April 1, 2024, the Agency shall report to the House Committees on Appropriations, on Human Services, and on Housing and General Affairs; the Senate Committees on Appropriations, on Health and Welfare, and on Economic Development, Housing and General Affairs; and the Joint Fiscal Committee the number households, if any, that were not successfully transitioned out of the pandemic-era General Assistance Emergency Housing Program into alternative housing placements and the reason why each such household was not successfully placed.

Sec. 7. CASH FUND FOR CAPITAL AND ESSENTIAL INVESTMENTS; APPROPRIATION

(a) In fiscal year 2024, the balance of the Other Infrastructure, Essential Investments, and Reserves subaccount in the Cash Fund for Capital and Essential Investments established pursuant to 32 V.S.A. § 1001b, after all other transactions authorized from that subaccount by the fiscal year 2024 budget act have been satisfied, is appropriated to the Agency of Human Services to be used as needed to implement Secs. 5–10 of this act.

(b) The Commissioner of Finance and Management shall report to the Joint Fiscal Committee at the Committee's July meeting the amount of the balance that was made available to the Agency of Human Services pursuant to subsection (a) of this section.

(c) The Agency of Human Services shall report on the amount of unobligated funds remaining, if any, from the appropriation in subsection (a) of this section as part of the Agency's fiscal year 2024 budget adjustment presentation.

Sec. 8. EMERGENCY HOUSING TRANSITION; FUNDING; FISCAL YEAR 2024 BUDGET ADJUSTMENT

(a) The Agency of Human Services shall hold in reserve as much funding as possible from the Agency's fiscal year 2023 closeout process as carryforward for potential investment in assisting households with transitioning out of the pandemic-era General Assistance Emergency Housing Program. The reserved funds shall not be used unless the amounts appropriated pursuant to Sec. 7 of this act are not sufficient to fully implement the phase-out of the pandemic-era General Assistance Emergency Housing Program as set forth in this act.

(b) The Agency of Administration is authorized to use available resources as necessary to assist in the implementation of the phase-out of the pandemic-era General Assistance Emergency Housing Program as set forth in Secs. 5–10 of this act.

(c) The Agency of Human Services shall include relevant language and amounts in its fiscal year 2024 budget adjustment recommendations, if needed, to complete the process of phasing out the pandemic-era General Assistance Emergency Housing Program.

Sec. 9. AFFORDABLE HOUSING DEVELOPMENT; FISCAL YEAR 2024 FUNDING

(a) Of the $40,000,000.00 appropriated to the Vermont Housing and Conservation Board (VHCB) in the fiscal year 2024 budget act to provide support and enhance capacity for the production and preservation of affordable mixed-income rental housing and homeownership units:

(1) $10,000,000.00 shall be used to provide support and enhance the capacity, availability, and utilization of manufactured homes in cooperatively owned, nonprofit, and privately owned manufactured home parks with vacant and available lots. VHCB shall consult with the Department of Housing and Community Development to ensure that new investments prioritize individuals and families exiting from hotels and motels in accordance with this act.

(2) VHCB shall grant $4,000,000.00 to the Vermont State Housing Authority for the Manufactured Home Improvement and Repair Program to prevent vulnerable mobile home park residents from becoming homeless.

(3) Notwithstanding 32 V.S.A. § 5(b), VHCB shall grant $5,000,000.00 to the Department of Housing and Community Development to support the Vermont Housing Improvement Program.

(b) For fiscal year 2024, the VHCB shall increase its "Homeless Unit" set aside for housing projects seeking VHCB funding from 15 percent to 30 percent, with priority given to households exiting hotels and motels in accordance with this act.

Sec. 10. 2023 Acts and Resolves No. 47, Sec. 47 is amended to read:

Sec. 47. EFFECTIVE DATES

This act shall take effect on July 1, 2023, except that:

(1) ~~Sees.~~ Sec. 1 (24 V.S.A. § 4414) ~~and 2 (24 V.S.A. § 4412)~~ shall take effect on December 1, 2024~~, except for subdivision (1)(D) of Sec. 2, which shall take effect on July 1, 2023~~.

* * *

Sec. 11. EFFECTIVE DATES

(a) Secs. 1–4 shall take effect on July 1, 2023.

(b) The remaining sections shall take effect on passage.

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

An act relating to adult protective services and emergency housing transition.

Thereupon, the question, Shall the Senate concur in the House proposal of amendment to the Senate proposal of amendment?, was decided in the affirmative on a roll call, Yeas 30, Nays 0.

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

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Brock, Campion, Chittenden, Clarkson, Collamore, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Norris, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Weeks, Westman, White, Williams, Wrenner.

Those Senators who voted in the negative were: None.

Rules Suspended; Governor's Veto Overridden

H. 217.

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

An act relating to child care, early education, workers' compensation, and unemployment insurance.

Was taken up for immediate consideration.

Thereupon, the question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 23, Nays 7. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Ingalls, Norris, Weeks, Westman, Williams.

Rules Suspended; House Proposal of Amendment Concurred In

S. 103.

Appearing on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and Senate bill entitled:

An act relating to amending the prohibitions against discrimination.

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. 21 V.S.A. § 495 is amended to read:

§ 495. UNLAWFUL EMPLOYMENT PRACTICE

(a) It shall be unlawful employment practice, except where a bona fide occupational qualification requires persons of a particular race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, crime victim status, or physical or mental condition:

(1) For any employer, employment agency, or labor organization to harass or discriminate against any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a qualified individual with a disability~~;~~.

* * *

(3) For any employment agency to fail or refuse to classify properly or refer for employment or to otherwise harass or discriminate against any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age or against a qualified individual with a disability~~;~~.

(4) For any labor organization~~,~~ to limit, segregate, or qualify its membership with respect to any individual because of race, color, religion, ancestry, national origin, sex, sexual orientation, gender identity, place of birth, crime victim status, or age ~~to discriminate against any individual or against a qualified individual with a disability or to limit, segregate, or qualify its membership;~~ or against a qualified individual with a disability.

* * *

(7) For any employer, employment agency, labor organization, or person seeking employees to discriminate between employees on the basis of sex, race, national origin, sexual orientation, or gender identity or against a

qualified individual with a disability by paying wages to employees of one sex, race, national origin, sexual orientation, or gender identity or an employee who is a qualified individual with a disability at a rate less than the rate paid to employees of the other sex or a different race, national origin, sexual orientation, or gender identity or without the physical or mental condition of the qualified individual with a disability for equal work that requires equal skill, effort, and responsibility and is performed under similar working conditions. An employer who is paying wages in violation of this section shall not reduce the wage rate of any other employee in order to comply with this subsection.

(A) An employer may pay different wage rates under this subsection when the differential wages are made pursuant to:

* * *

(iv) A bona fide factor other than sex, race, national origin, sexual orientation, gender identity, or physical or mental condition. An employer asserting that differential wages are paid pursuant to this subdivision (7)(A)(iv) shall demonstrate that the factor does not perpetuate a ~~sex-based~~ differential in compensation~~,~~ based on sex, race, national origin, sexual orientation, gender identity, or physical or mental condition; is job-related with respect to the position in question~~,~~; and is based upon a legitimate business consideration.

* * *

(C) Nothing in this subdivision (a)(7) shall be construed to:

(i) create any new rights for an employer to inquire about a characteristic of an employee that is otherwise unknown to the employer upon which pay discrimination is prohibited pursuant to the provisions of this subdivision (a)(7); or

(ii) diminish an employee's right to privacy under any other law, or pursuant to an applicable contract or collective bargaining agreement.

(8) ~~Retaliation prohibited.~~ An employer, employment agency, or labor organization shall not discharge or in any other manner discriminate against any employee because the employee:

* * *

(i) An agreement to settle a claim of a violation of subsection (a) of this section shall not prohibit, prevent, or otherwise restrict the employee from working for the employer or any parent company, subsidiary, division, or affiliate of the employer. Any provision of an agreement to settle a claim of a violation of subsection (a) of this section that violates this subsection shall be void and unenforceable with respect to the individual who made the claim.

(j) Except for claims alleging a violation of subdivision (a)(7) of this section or disparate impact discrimination an employee shall not be required to demonstrate the existence of another employee or individual to whom the employee's treatment can be compared to establish a violation of this section.

(k) Notwithstanding any State or federal judicial precedent to the contrary:

(1) harassment and discrimination need not be severe or pervasive to constitute a violation of this section; and

(2) behavior that a reasonable employee with the same protected characteristic would consider to be a petty slight or trivial inconvenience shall not constitute unlawful harassment or discrimination pursuant to this section.

Sec. 2. 21 V.S.A. § 495d is amended to read:

§ 495d. DEFINITIONS

As used in this subchapter:

* * *

(13)(A) "Sexual harassment" is a form of sex discrimination and means unwelcome sexual advances, requests for sexual favors, and other verbal ~~or,~~ physical, written, auditory, or visual conduct of a sexual nature when:

~~(A)~~(i) submission to that conduct is made either explicitly or implicitly a term or condition of employment;

~~(B)~~(ii) submission to or rejection of such conduct by an individual is used as a component of the basis for employment decisions affecting that individual; or

~~(C)~~(iii) the conduct has the purpose or effect of ~~substantially~~ interfering with an individual's work ~~performance~~ or creating an intimidating, hostile, or offensive work environment.

(B) Sexual harassment need not be severe or pervasive in order to be unlawful pursuant to this subchapter.

* * *

(16) "Harass" means to engage in unwelcome conduct based on an employee's race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, crime victim status, or physical or mental condition that interferes with the employee's work or creates a work environment that is intimidating, hostile, or offensive. In determining whether conduct constitutes harassment:

(A) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances, and a single incident may constitute unlawful harassment.

(B) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality rather than in isolation.

(C) Conduct may constitute harassment, regardless of whether:

(i) the complaining employee is the individual being harassed;

(ii) the complaining employee acquiesced or otherwise submitted to or participated in the conduct;

(iii) the conduct is also experienced by others outside the protected class involved in the conduct;

(iv) the complaining employee was able to continue carrying out the employee's job duties and responsibilities despite the conduct;

(v) the conduct resulted in a physical or psychological injury; or

(vi) the conduct occurred outside the workplace.

Sec. 3. 9 V.S.A. § 4501 is amended to read:

§ 4501. DEFINITIONS

As used in this chapter:

* * *

(12)(A) "Harass" means to engage in unwelcome conduct that detracts from, undermines, or interferes with a person's:

(i) use of a place of public accommodation or any of the accommodations, advantages, facilities, or privileges of a place of public accommodation because of the person's race, creed, color, national origin, marital status, sex, sexual orientation, gender identity, or disability; or

(ii) terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person's race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.

(B) Notwithstanding any judicial precedent to the contrary, harassing conduct need not be severe or pervasive to be unlawful pursuant to the provisions of this chapter. In determining whether conduct constitutes unlawful harassment:

(i) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances, and a single incident may constitute unlawful harassment.

(ii) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality rather than in isolation.

(iii) Conduct may constitute unlawful harassment, regardless of whether:

(I) the complaining person is the person being harassed;

(II) the complaining person acquiesced or otherwise submitted to or participated in the conduct;

(III) the conduct is also experienced by others outside the protected class involved in the conduct;

(IV) despite the conduct, the complaining person was able to:

(aa) use the place of public accommodation or any of the accommodations, advantages, facilities, or privileges of the place of public accommodation; or

(bb) enjoy the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate;

(V) the conduct resulted in a physical or psychological injury; or

(VI) the conduct occurred outside the place of public accommodation or the dwelling or other real estate.

(C) Behavior that a reasonable person with the same protected characteristic would consider to be a petty slight or trivial inconvenience shall not constitute unlawful harassment or discrimination pursuant to this chapter.

(D) The provisions of this subdivision (12) shall not apply to any action brought under this chapter pursuant to the provisions of 16 V.S.A. § 570f.

Sec. 4. 9 V.S.A. § 4503 is amended to read:

§ 4503. UNFAIR HOUSING PRACTICES

* * *

(d)~~(1) As used in this section, "harass" means to engage in unwelcome conduct that detracts from, undermines, or interferes with the person's terms, conditions, privileges, or protections in the sale or rental of a dwelling or other real estate, or in the provision of services or facilities in connection with a dwelling or other real estate, because of the person's race, sex, sexual orientation, gender identity, age, marital status, religious creed, color, national origin, or disability, or because the person intends to occupy a dwelling with one or more minor children, or because the person is a recipient of public assistance, or because the person is a victim of abuse, sexual assault, or stalking.~~

~~(2) Notwithstanding any judicial precedent to the contrary, harassing conduct need not be severe or pervasive to be unlawful pursuant to the provisions of this section. In determining whether conduct constitutes unlawful harassment:~~

~~(A) The determination shall be made on the basis of the record as a whole, according to the totality of the circumstances, and a single incident may constitute unlawful harassment.~~

~~(B) Incidents that may be harassment shall be considered in the aggregate with varying types of conduct and conduct based on multiple characteristics viewed in totality, rather than in isolation.~~

~~(C) Conduct may constitute unlawful harassment, regardless of whether:~~

~~(i) the complaining person is the person being harassed;~~

~~(ii) the complaining person acquiesced or otherwise submitted to or participated in the conduct;~~

~~(iii) the conduct is also experienced by others outside the protected class involved in the conduct;~~

~~(iv) the complaining person was able to enjoy the benefit of applicable terms, conditions, privileges, or protections in the sale or rental of the dwelling or other real estate, or to obtain services or facilities in connection with the dwelling or other real estate, despite the conduct;~~

~~(v) the conduct resulted in a physical or psychological injury; or~~

~~(vi) the conduct occurred outside the dwelling or other real estate.~~

~~(3) behavior that a reasonable person with the same protected characteristic would consider to be a petty slight or trivial inconvenience shall not constitute unlawful harassment or discrimination pursuant to this section.~~ [Repealed.]

Sec. 5. EFFECTIVE DATE

This act shall take effect on July 1, 2023.

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

Rules Suspended; Governor's Veto Overridden

Pending entry on the Calendar for notice, on motion of Senator Baruth, the rules were suspended and House bill entitled:

H. 494. An act relating to making appropriations for the support of government.

Was taken up for immediate consideration.

Thereupon, the question, Shall the bill pass, notwithstanding the refusal of the Governor to approve it?, was decided in the affirmative on a roll call required by the Vermont Constitution, Yeas 25, Nays 5. (the necessary *override* two-thirds vote *having* been attained).

Roll Call

Those Senators who voted in the affirmative were: Baruth, Bray, Campion, Chittenden, Clarkson, Cummings, Gulick, Hardy, Harrison, Hashim, Ingalls, Kitchel, Lyons, MacDonald, Mazza, McCormack, Perchlik, Ram Hinsdale, Sears, Starr, Vyhovsky, Watson, Westman, White, Wrenner.

Those Senators who voted in the negative were: Brock, Collamore, Norris, Weeks, Williams.

Rules Suspended; Bills Delivered

On motion of Senator Baruth, the rules were suspended, and the following bills were severally ordered delivered to the Governor forthwith:

S.80, S.103.

Rules Suspended; Bills and Joint Resolution Messaged

On motion of Senator Baruth, the rules were suspended, and the following bills and joint resolution were severally ordered messaged to the House forthwith:

H.171, H.217, H.305, H.386, H.494, H.509, J.R.H.6.

Appointments Confirmed

Under suspension of the rules (and particularly, Senate Rule 93), as moved by Senator Hardy, 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:

Hood, Peter of Middlesex - Member of the State Infrastructure Bank Board - August 29, 2022 to February 28, 2027.

Gregoritsch, Mark of Essex - Member of the Occupational Safety and Health Review Board - March 1, 2023 to February 28, 2029.

Were collectively confirmed by the Senate.

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:

Mr. President:

I am directed to inform the Senate that:

The House has considered joint resolutions originating in the Senate of the following titles:

J.R.S. 29. Joint resolution relating to adjournment of the 2023 Biennial Session of the General Assembly.

J.R.S. 30. Joint resolution relating to compensation of House Managers of Articles of Impeachment.

And has adopted the same in concurrence.

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:

Mr. 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.

Adjournment

On motion of Senator Baruth, the Senate adjourned, pursuant to J.R.S. 29.

Committee Appointed After Final Adjournment

Aquatic Nuisance Control Study Committee

Pursuant to the provisions of H.31 § 1(b)(2) (2023 Session), the President, on behalf of the Committee on Committees, announced the appointment of the following Senator to serve on the Aquatic Nuisance Control Study Committee this biennium:

Senator Bray

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:

Mr. President:

I am directed by the Governor to inform the Senate that on the 28th of June, 2023 he approved and signed bills originating in the Senate of the following titles:

S. 80. An act relating to miscellaneous environmental conservation subjects.

S. 103. An act relating to amending the prohibitions against discrimination.

Message from the House No. 84

A message was received from the House of Representatives by Ms. BetsyAnn Wrask, its Clerk, as follows:

Mr. President:

I am directed to inform the Senate that:

The Governor has informed the House that on June 29, 2023, he approved and signed a bill originating in the House of the following title:

H. 171. An act relating to adult protective services and emergency housing transition.

The Governor has informed the House that on June 29, 2023, he returned without signature and vetoed a bill originating in the House of the following title:

H. 158. An act relating to the beverage container redemption system.

Text of Communication from the Governor

"June 29, 2023

The Honorable BetsyAnn Wrask
Clerk of the Vermont House of Representatives
State House
Montpelier, VT 05633

Dear Ms. Wrask:

Pursuant to Chapter II, Section 11 of the Vermont Constitution, I'm returning H.158, *An act relating to the beverage container redemption system*, without my signature with my objections stated below.

I'm a long-time advocate of recycling and support a strong system to help Vermonters do so. But as I've consistently said, I believe expanding the labor intensive 1970s-era bottle deposit system would move us backwards, and we should instead focus on investing in and improving zero-sort (or blue bin) recycling.

I'm concerned this bill will result in higher costs for Vermonters due to deposit fees added to a wide range of beverage products; increased handling fees will be passed onto consumers to fund the redemption system; and increased recycling costs for towns, businesses and residents as high-value cans and bottles are removed.

It simply makes no sense to toss aside the progress we've made since the mandatory Universal Recycling Law of 2012, to expand a separate system that diverts the most valuable recyclables away from the blue bin system.

Finally, I'm concerned that even with the bill's efforts to modernize the redemption system, redemption centers are likely to continue to struggle to find the space needed for more storage and the workforce needed to handle and sort the higher volume.

In light of these objections, I'm returning this legislation without my signature pursuant to Chapter II, Section 11 of the Vermont Constitution.

Sincerely,

Philip B. Scott
Governor

PBS/kp"

CERTIFICATION

"STATE OF VERMONT

Office of the Secretary of the Senate
Senate Chamber
State House
Montpelier, Vermont 05633

I hereby certify that the foregoing Journal is a true and correct record of the proceedings of the Senate of the State of Vermont for the first year of the biennial session of 2023.

This was the first year of the seventy-seventh biennial session of the General Assembly, beginning Constitutionally on the first Wednesday after the first Monday of January (being the fourth day of January, 2023), and ending on the twentieth day of June, 2023.

Attest:

/s/John H. Bloomer, Jr.

JOHN H. BLOOMER, JR.
Secretary of the Senate"